

Labour's £50m war chest

Ewen MacAskill, Chief Political Correspondent

LABOUR is planning to build an election fighting fund of at least £50 million, almost twice the figure it spent in last year's campaign.

"The sky's the limit. We will match the Tories," a source at the party's Millbank headquarters said yesterday. Labour spent £27 million at the last general election and the Conservatives £28 million. Labour is braced to spend at least £50 million at the next general election, probably in 2001, and if necessary even more.

Lord Neill, who has been investigating party funding at the request of the Government, is due to make his recommendations within two months. Labour hopes he will put a cap of £50 million on election spending.

The party would like to keep spending on elections as low as possible. The lower the expenditure, the more the party can rely on individual membership subscriptions and small donations; the higher the expenditure, the more it is forced to rely on unions and big individual donations.

Labour will concentrate on building up its biggest general election war chest once it has wiped out its £4.5 million debt by the end of the year. Figures to be published at the party conference next month will show this has been achieved in spite of having to hand back a £1 million cheque to the Formula One boss Bernie Ecclestone at the height of the row over tobacco advertising last autumn.

The transformation in Labour's fortunes is attributed to its new director of finance, David Pitt-Watson, who arrived from the accountants Deloitte and Touche last year. He imposed a 45 per cent cut in expenditure this year at the Millbank headquarters and regional offices.

There have been job losses but Labour says the savings have been achieved without compulsory redundancies. Lots of party work, such as campaigning and membership drives, has had to be shelved, though this has been made easier by the lack of opposition from the Tories.

The balancing of the books contrasts with the Conservatives, who claim they are in financial crisis.

But Labour's finance department is sceptical of this

and is preparing for the election on the basis that the Tories will have replenished their coffers.

Forty per cent of Labour's income is from membership subscriptions and small donations, 30 per cent from the unions, 20 per cent from donations over £1,000, and 10 per cent from events and sponsorship.

Labour publishes the names of donors giving more than £5,000 but does not specify the exact amount. Mr Pitt-Watson's success in balancing the books so soon will be revealed in the ruling national executive's annual report, which will be issued in time for the Blackpool conference.

The party spokesman yesterday put membership at between 394,000 and 399,000, down from 405,000 at the start of the year.

He predicted the loss of 35,000 members over the next 12 months, plus a further 6,000 expected to die, but this would be offset partly by the recruitment of 30,000 — an overall loss of 12,000.

Party to match Tories with its biggest election fighting fund

This year's conference will be the first under reforms designed to prevent clashes between the party and the Government that marked the Wilson and Callaghan terms in office.

Leftwingers have accused the leadership of turning the conference into a rubber-stamp but the leadership insists the changes will improve membership involvement in policy making.

At a press conference at Millbank yesterday, Matthew Taylor, assistant general secretary of the party and architect of many of the reforms, said: "Annual conference has the right to make policy for the party."

"Annual conference has the right to be listened to by the party in government. It is not the right of annual conference to become some sort of alternative government."

One of the documents published yesterday that will go to conference showed members' concerns about the Ecclestone affair, prescription charges, tuition fees, pay awards, union recognition and other issues.



Crew of the Son of Town Hall sailing into Castletownbere, Co Cork, Ireland, yesterday, after braving icebergs and storms on the crossing from Nova Scotia

Artists' 63-day Atlantic crossing in 'junk' boat

Rory Carroll

FOUR artists too poor to fly but keen to see the world have crossed the Atlantic with three dogs aboard a boat made of recycled plywood and barrels. Landing on Ireland's west coast yesterday, their skipper said they were only slightly insane.

Villagers at Castletownbere, Co Cork, were not so sure. They described the 50ft vessel as a garden shed, a doll's house, a rubbish tip and a lunatic asylum.

Since leaving Halifax, Nova Scotia, 63 days ago the craft has dodged icebergs, storms and 25ft waves. Edward Garry, aged 37, said the sail and engine-powered craft, named The Son of Town Hall, was built entirely from scrap metal and discarded wood.

"It is a composite of recycled materials and we have put it together to make our dreams come true. We set out for France, but when we saw Ireland in our vision, we decided to go for it. I am going to have a shower and a pint and meet the beautiful people of Ireland. We are all a little crazy in our own way — I just demonstrate it a little more pointedly."

The crew consisted of a married couple in their 60s from San Francisco, a Canadian, Roger Doncaster, and Mr Garry, an Irish-American. The dogs are two Rottweilers, Siegfried and Thor, and a Mexican poodle called Willie. Humans and dogs lived on pasta and tinned food.

"The raft could not sink, only break up. I never had a doubt that we would make it. I am going to have a shower and a pint and meet the beautiful people of Ireland. We are all a little crazy in our own way"

Poppino Neutrino, aged 65, said he and his wife, Aurelia, aged 63, had enjoyed the crossing, despite the huge waves and icebergs. They will use the two weeks to promote recycling and prepare for their next voyage, to the Mediterranean.

Mr Doncaster said: "The idea is to show people that you can take the stuff you have around you and recycle it and make use of it, whether it's art or a place to live or a way to travel."

Declan Gagan, a coastguard, said they had been in grave danger but had been

blessed with calm weather. "This kind of thing is always very dangerous, and there are times when it stretches the resources of the coastguards and rescue services."

Mr Garry said he did not feel in danger at any stage. "The raft could not sink — only break up. I never had a doubt that we would make it."

An Irish naval ship, the LÉ Eimear, resupplied the boat on Tuesday when it entered Irish waters. Stocks were low because the crew had expected the 3,000-mile journey to last 30 days, not 63.

Yesterday another vessel, the LÉ Clara, escorted them into Castletownbere, where last night customs officials refused to allow them to disembark until the raft had been searched.

The four artists said the dogs would not set paw on land during the two-week stay, to avoid being quarantined for six months.

Bill Jones, Castletownbere's harbour master, said the boat was seaworthy. "It's hardly describable. It looks like something out of the Beverly Hills, but underneath it's well built. It's been coastguard approved."

Safety equipment amounted to a VHF radio, two mega-band transceivers and flares. One quayside spectator was less impressed. "It looks like two sails on top of a garden shed."

A police spokeswoman in Halifax was amazed at the news. "They made it? I don't believe it, when they left here I thought it was a Nuffie [Newfoundland] joke."



The vessel, of barrels, scrap metal and discarded wood, will sail on to the Mediterranean

Hollywood stars fund Clinton defence

Trust raises \$2m to help 'broke' president fight Lewinsky sex claims, Martin Kettle reports

AS BILL Clinton prepares for his showdown with Kenneth Starr, the independent counsel, next Monday, Hollywood moguls and superstars have emerged as some of the leading donors to a booming presidential legal defence fund.

Since the Clinton Legal Expense Trust was established in late February to pay for the president's defence in the Monica Lewinsky case, it has raised more than \$2 million (£1,225,000), even though donations to the trust are limited to \$10,000.

More than 8,000 people have given money in response to personalised mail shots from fund-raiser Terence McAuliffe, sources said yesterday, claiming that the money came "from Main Street, Wall Street and Hollywood".

No list of donors has been published, but the president's Hollywood admirers are

known to be leading contributors. Supporters of the Clinton's say the trust has received \$10,000 cheques from Barbra Streisand, Tom Hanks, Steven Spielberg and the entertainment mogul David Geffen.

"I would have given more, but they didn't want any more," Mr Geffen told the New York Times yesterday. "I just think this is an incredibly unfortunate situation for the president and for this country. There is a well-financed group of zealots who want to bring down the president, and this guy has no money. He's broke. This is a terrible situation."

Others known to have given \$10,000 donations include two of Mr Geffen's fellow film executives, Jeffrey Katzenberg and Harvey Weinstein, the television producer Bud Yorkin, and Gail Zappa, the widow of rock musician Frank Zappa.

Such high-profile support from some of the richest movers and shakers in the entertainment industry comes as Mr Clinton's Hollywood links have become increasingly prominent in recent weeks. Earlier this month the Clintons stayed overnight at Mr Spielberg's Long Island home during a political fundraising weekend, while on Tuesday the president spent several hours with Mr Geffen on his Beverly Hills estate, at a \$25,000-a-couple Democratic Party dinner.

These close links with Mr Geffen, Mr Spielberg and Mr Katzenberg, who are the three founders of the Dreamworks film studio, and who together hosted Tuesday's California dinner, have led to speculation that Mr Clinton will join the Dreamworks board when he leaves the presidency in January 2001 — assuming he will not be looking for work sooner if things go wrong for him in the Lewinsky case.

The success of the defence fundraising effort easily outstrips the achievements of the \$1.3 million that was raised on his behalf over three-and-a-half years by an earlier



Actors Tom Hanks and Barbra Streisand, said to be among \$10,000 donors to the Clinton trust fund

legal defence fund, which was wound up last December. Donations to the earlier fund were limited to \$1,000 per head.

Together, the two funds will help but not completely pay for the Clintons' legal bills from the Whitewater, Paula Jones and Monica Lewinsky cases and others. Their legal costs are currently estimated at \$6 million, though some es-

timates say the eventual total may exceed \$10 million. It is widely believed that the Clintons will have to spend several years paying off their debts when they leave the White House.

Organisers say the success of the defence fundraising reflects widespread anger among Clinton supporters over the behaviour of Mr Starr, who has spent more

than four years and \$40 million of public funds so what many believe is a politically motivated witch-hunt against a Democratic president.

Mark Weiner, a friend of the Clintons and treasurer of the Democratic Governors' Association, said: "The president has a great number of friends and admirers who sympathise with what he is going through, and who think that Ken Starr is totally out of control."

A fundraising letter sent on behalf of the new trust by the former US Senator David Pryor from Mr Clinton's home state of Arkansas said: "All of us should be concerned when the financial burden of public service becomes so great as to discourage good men and women from seeking office."

The letter continues: "If you are concerned by the way politics is conducted today, then what better response than to make your own gesture of decency and generosity. I know that it will be enormous comfort to the First Family that so many Americans appreciate their work and have come to their aid."

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Call for caesarean births on demand

Helen Carter

WOMEN should be offered caesarean sections on demand, provided they are fully aware of the risks, says a leading hospital consultant.

As the number of operations increases, Sara Paterson-Brown, a consultant in obstetrics and gynaecology at Queen Charlotte's and Chelsea hospital, west London, argues that the option of surgery should be made available.

At present, many obstetricians consider it inappropriate to carry out caesarean sections in an uncomplicated pregnancy, midwives and other health professionals also prefer natural births.

Department of Health statistics show caesarean sections represented 15.8 per cent of births in 1995, compared with 6.3 in 1987.

Ms Paterson-Brown argues in today's British Medical Journal that technology has improved in the past decade — operations no longer have to be carried out under general anaesthetic and blood thinning drugs are available to prevent clotting.

Despite this the risk of ma-

'We are at a turning point in obstetric thinking, brought about not only by the advances that have made caesarean section safe... but also by the attitudes of our society'
— Sara Paterson-Brown, obstetrician

ternal death from surgery is up to 16 times greater, with the chance of haemorrhaging 10 times greater for the mother. But, she points out, the risk to the baby is greater in conventional deliveries.

"Surgery is performed by doctors when they believe it is clinically justified and in accordance with accepted medical practice," says Ms Paterson-Brown. The risks of vaginal birth include damage to the pelvic floor, trauma to the urethra and anal sphincters, long-term predisposition to genital prolapse and uri-

nary and anal incontinence. "We are at a turning point in obstetric thinking, brought about not only by the advances that have made caesarean section safe and the evidence that vaginal delivery can be associated with substantial morbidity, but also by the attitudes of our society, which reflect intolerance to risk."

She says the vast majority of women want a normal delivery, but if they choose a caesarean section it is essential they are fully informed of the risks. Half the women who have already had the operation say they would choose it again.

In a separate article in the BMJ, three obstetric and gynaecology professionals argue that maternal choice alone should not determine method of delivery.

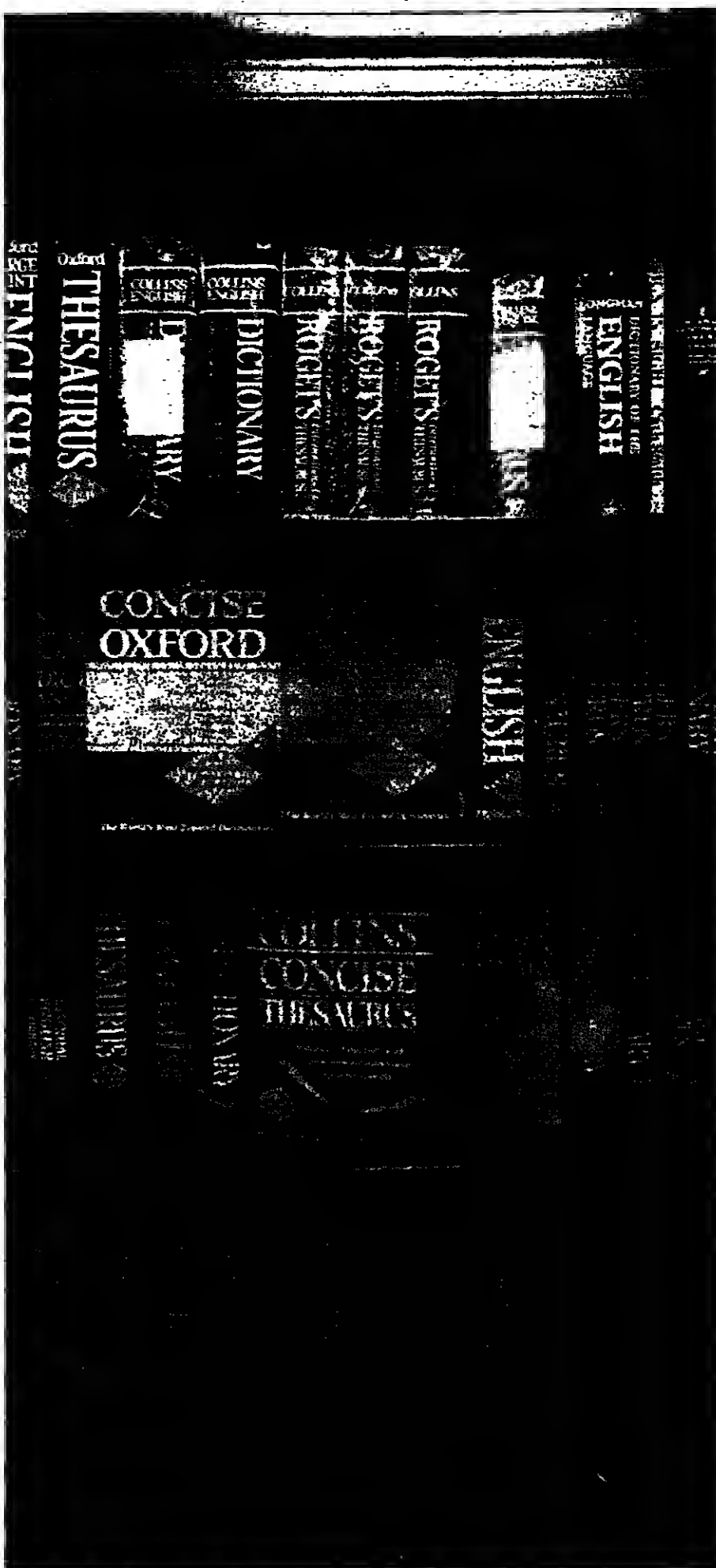
The authors, from Leicester general hospital and Grimsby hospital, conclude that women should be given full and honest advice so a safe and logical decision can be reached.

Responding to the article, Anne Jackson-Baker, director of the Royal College of Midwives, said: "If a woman has been given all the information, midwives have to support her in that choice, but I am sceptical.

'Why would a healthy woman who is probably going to deliver a healthy baby choose a major operation and all the complications which go with it?'
— Anne Jackson-Baker, Royal College of Midwives

"We also have to answer the question why would a healthy woman who is probably going to deliver a healthy baby choose a major operation and all the complications which go with it, such as risk of infection, the recovery from the anaesthetic and the delay of the onset of breast feeding?"

A spokesman for the National Childbirth Trust said: "If women had balanced information and continuous support we believe few would choose a caesarean section without a medical reason."



THE HYPE

Chambers: 'The bestselling... the largest... unrivalled... unequalled... more information than any competitors'

Oxford: 'The biggest... revolutionary... a landmark in the description of English... the most important for 100 years'

Collins: 'The people's dictionary... picks up challenge in battle for supremacy... unchallenged sources'

THE STATISTICS

Chambers: '515,000 references and definitions'. Weight 4.8lb. Price £25

Oxford: '350,000 words, phrases and definitions'. Weight 6.6lb. Price £29.99

Collins: '367,000 references and definitions'. Weight 4.2lb. Price £24.99

Publishers fight to gain maximum 'shelf footprint' for books

PHOTOGRAPH: MARTIN ANGLES

Publishing rivals boast definitive work in dictionary war of the words

John Ezard

SAMUEL JOHNSON when he compiled the first English dictionary was relaxed enough to define cats as "a grain which in England is generally given to horses, but in Scotland supports the people".

His successors — crunched over their 100-million-word electronic databases — did not dare such levity yesterday. As well as being concerned with political correctness, they were locked in a shelf war worth millions of pounds.

In a situation without precedent, the three giants — Chambers, Collins and Oxford University Press — found themselves due to

publish blockbuster dictionaries within the same three weeks.

Oxford, with the sharpest public relations, stunned its rivals by suddenly bringing out the New Oxford Dictionary yesterday. It scooped publicity by being first and for announcing a green light for the split infinitive.

An angry Chambers — whose market-leading dictionary quietly sanctioned split infinitives in 1995 — rushed forward publication to Monday and scrapped a press embargo. Both publishers hurried executives on to television new bulletins.

This left Collins lagging, with no copies of its Millennium English Dictionary on the streets. The firm, the fastest growing dictionary

publisher of the past decade, was hoping to catch up with a champagne launch on September 7.

All are desperate to get their volumes out before they are lost in the autumn publishing wave of general books.

Their most lucrative targets are the start of school and college terms and the Christmas present trade. "Dictionaries are more like fast-moving consumer goods than any other side of publishing," said John Millington, Chambers's marketing manager.

"This means shelf wars, and sheer speed is very important. We are all competing for what is called 'shelf footprint' — the number of square inches your book gets in a shop. The danger is that you will miss being

properly stocked in most bookshops at the prime time."

At the height of the bookshop rush last Christmas, earlier editions of the Chambers Dictionary sold 1,562 copies in a week and the Collins 1,001. Oxford trailed with 782 "units", in the trade jargon.

OUP's sprint this week stresses new words, grammatical concessions, and guides to political correctness.

Chambers stresses that it offers more words for less weight in the shopping bag or on the bookshelf, as well as its new words.

Collins is left stressing its star attraction — its 18,000 encyclopaedic entries — and pointing out that it relaxed the split infinitive rule as long ago as 1991.



Victims: Steven O'Malley and Marie Allen with baby Shannon, and their children Laura, left, and Reece, right

Police name car crash victims

Sarah Hall

THE family of five killed when their car collided with a coach was named by police last night as it emerged the mother, travelling with her three children and her partner, was pregnant with twin boys.

The victims were identified as Steven O'Malley, aged 43, Marie Allen, 30, her children Laura and Reece Allen, eight and five, and the couple's

year-old baby, Shannon O'Malley, of Brinkhill, near Louth, Lincs. Marie Allen was expecting baby sons in December.

The five died when their BMW convertible collided with a coach on the A16 at Louth shortly before 8pm on Wednesday evening. It then burst into flames before spinning into a ditch.

Firefighters had to use cutting gear to free the victims from the mangled wreckage. Four of the family — who

were returning from a visit to relatives in Rotherham — had to be identified from dental records because their bodies were so badly burned.

Yesterday, as investigations continued, neighbours praised the unemployed stone mason and his family who had lived in the village of Brinkhill for a year after moving from Rotherham, South Yorkshire.

Bob and Chris Charman said the couple would often help them tend an elderly rel-

ative, and added: "The kids were just lovely — playful, happy and cheerful, just like any other kids. We can't believe they're not coming back."

Police believe the convertible, which the couple were driving for a friend, clipped the side of the coach, which was carrying day trippers. Thirty-seven of these were taken to hospital after the accident. Seven remain in hospital but none has life-threatening injuries.

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Rievaulx Abbey had a smelting process which — without Henry VIII — might have sparked the Industrial Revolution 150 years earlier

How a king capped the furnace of industry



Martin Wainwright

HENRY VIII, famous for having six wives and inventing the Church of England, is getting a new role — as the man who delayed the country's industrial revolution by 150 years.

Studies of slag and iron ore at the mediaeval abbey of Rievaulx, North Yorkshire, have shown that the monks evicted by the king in 1538 had perfected a blast furnace, revolutionising the traditional bloomery method of smelting iron from ore.

Far from being just hooded clergy chanting plain-song and illuminating manuscripts, Rievaulx's Cistercians were running small-scale industrial enterprises.

"It's difficult to imagine now in a spot famous for its tranquillity," commented Gerry McDonnell, an archaeologist who released his findings at the ruins of the abbey in the Rye valley, near Helmsley. "Yet monks singing even-song here in the choir would have been able to hear the thump of hammers from their forge, mass-producing iron bars for sale."

The three-year study has tracked down the previously unknown site of the main abbey forge, and proved for the first time that a larger iron furnace, at Laskill, a Rievaulx "grange" or outstation five miles into the North Yorkshire moors, operated a full-scale blast furnace.

"The monks had the innovative skills and foreign contacts to keep on improving



The pioneering industrial skills and business acumen of the monks of Rievaulx Abbey (left) led to Britain's first mass-produced iron bars through a smelting process which, delayed by the dissolution of the monasteries, eventually formed the basis for of Britain's 19th century industrial pre-eminence (above)

REVAULX PHOTOGRAPH: DON McPHEE

their technology," said Dr McDonnell. "It was thanks to links with other Cistercians in Europe that a 'high bloomery' was installed at Laskill,

papacy, revolutionised industrial production of ironware, such as agricultural equipment and cutlery.

Dr McDonnell said: "The ordinary bloomery was very much a small, charcoal-fired, batch-production affair, making malleable iron in very limited quantities. The high version was effectively a blast furnace, which was mass-producing molten iron with the help of water power."

The dissolution of the monasteries saw Rievaulx's iron-works pass to the Duke of Rutland, but by 1600 production was flagging, in spite of experts being brought in from London — they included a Mr Blowharder — to re-organise the water-powered bellows.

Dr McDonnell said: "What may have been missing was the monks' sense of innovation and commercial nous — they were well known for their business acumen."

The scale of Rievaulx's furnaces will lead to a re-writing of the early days of British industrialisation, diminishing some of the pioneering glory of Abraham Darby, whose use of coke-fired furnaces at Ironbridge, Shropshire, in 1709, is usually seen as the start of the Industrial Revolution.

"It might have come much earlier if the monks had still been at Rievaulx," said Dr McDonnell. "But in any case, their achievements pointed the way to the great steel and iron industries of the North in the 19th century. The discoveries here show that the development of Britain's industrial muscle was more complicated and long-drawn-out than we had thought."

Signs of a bully 'may show up in tall tots'

Tim Radford
Science Editor

TOMORROW'S school bullies could be visible today — as the slightly taller tots in playschool. American scientists who monitored the development of more than 1,000 children for eight years claim that early in life there are warning signs of later violence and aggression.

"Three-year-olds — male or female — who average just half an inch taller than their peers tend to be more aggressive than normal when they reach 11," said Adrian Raine, a former Home Office prison psychologist who is now at the University of Southern California, Los Angeles.

Professor Raine has argued before that violence is "pre-programmed" in early life. In 1994 he followed up 4,600 boys born in a Copenhagen hospital and announced that more than 20 per cent of violent

crime was committed by a tiny proportion of males who suffered both birth complications and rejection in the first year of life.

This time he reports in the Archives of General Psychiatry that he took height in preschool years, and linked it to aggressive behaviour at age 11. Previous research had shown that the most aggressive 11-year-olds were more likely to become violent criminals as adults, regardless of their height at 11.

"There appears to be a critical period in development sometime after the age of three but before 11, when a child learns to use his physical advantage to aggressive ends," said Prof Raine.

Parents of tall toddlers — especially those who are very stimulation-seeking and fearless — needed to "drive home the message that there are a lot better ways than physical force to get what you want". He and his colleagues mea-

sured the height and weight of 1,190 male and female three-year-olds on Mauritius. They worked with the island's Ministry of Health and used games to test the children's eagerness for stimulation. They also calculated a scale of fearlessness based on how easily the child cried.

When the children reached 11, they questioned mothers on behaviour, focusing on words such as "fights", "swears", "threatens" and "is cruel".

Children in the top 15 per cent of the aggression scale at 11 had been on average half an inch taller at three than their peers and weighed more. The most aggressive had been more fearless and stimulation-seeking when they were three. Gender or race made no difference.

The findings did not predict the future criminal, Prof Raine said. "We're saying there are early markers — warning signs, really."



Kevin Davies had a good childhood. "Mum did a brilliant job bringing up six of us. It must have been hard but mum always made sure I had a pair of football boots so I could play until dark"

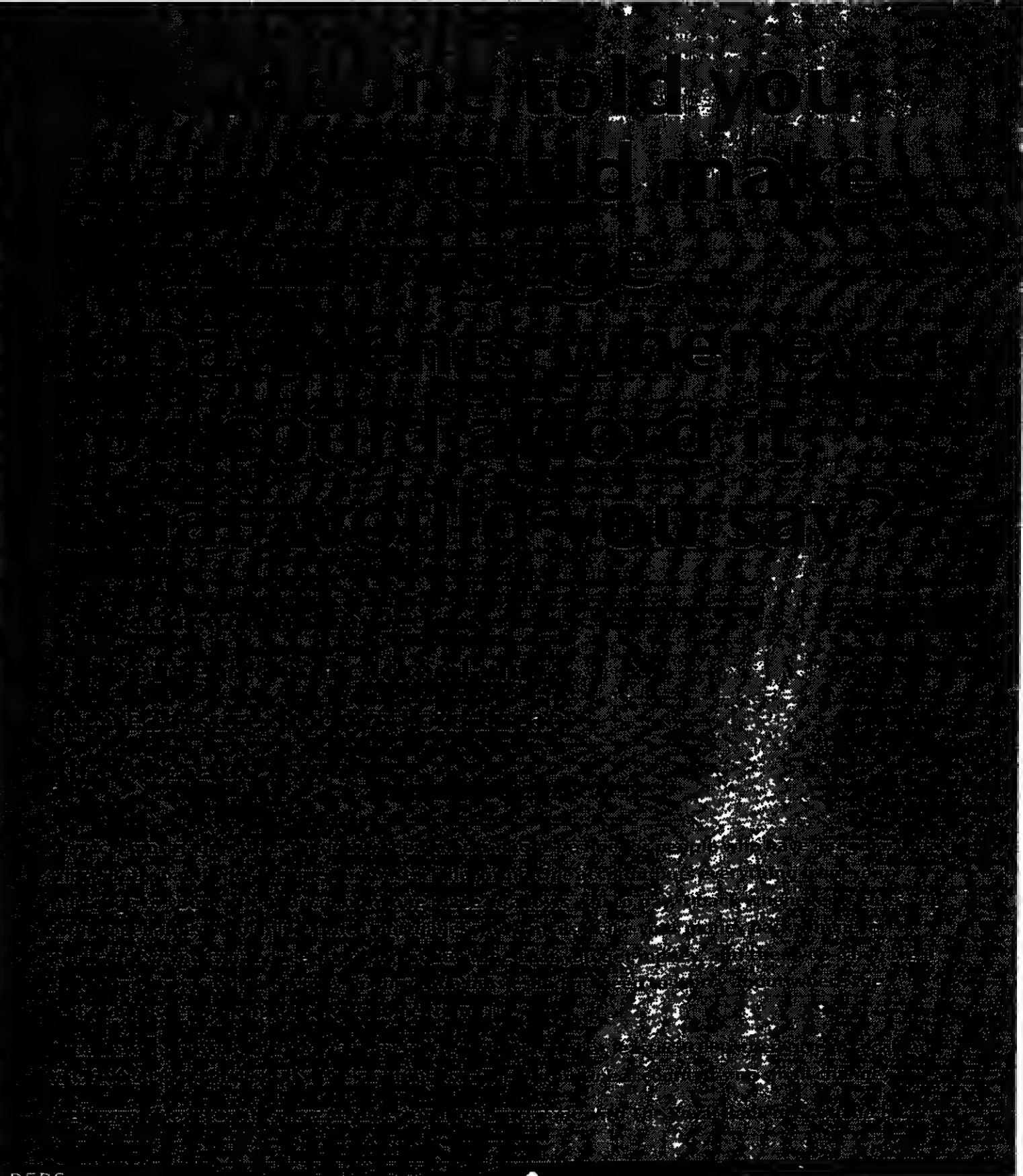
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Three lost in holiday boating tragedy

Philip Willian in Rome

TWO English holiday-makers, a father and his son aged seven, were drowned and another son was missing feared dead yesterday after their motorboat capsized in a sudden storm on Lake Garda, Italy's largest lake.

Four others in their party were rescued after clinging overnight to the overturned boat. Carabinieri police identified the dead as Richard Harris, aged 50, from Bedford, and his son Luke. Another son, Timothy, aged 13, was still missing on the 40-mile-long lake in the foothills of the Alps.

The boys' mother, Katherine Harris, aged 42, was in Desenzano hospital last night. She and three members of a family from Aberdeen — John Lilley, aged 40, and his children Andrew, aged 15,

and Alison, aged 13 — survived by clinging to the hull throughout Wednesday night. All four were under observation but none was in serious condition. The families met on holiday at the Leonardo da Vinci hotel in Limone sul Garda, a resort on the north-west shore of the lake. They hired a boat in the afternoon, and Mr Lilley's wife, Jane, who stayed at the hotel, raised the alarm in the evening.

"Two bodies have been recovered, but we are still looking for that of Timothy," said Captain Franco Glandino of the Carabinieri. "From what we have been able to understand, the boat capsized very suddenly. They didn't even have time to put on their life-jackets."

"The survivors spent all night hanging on to the overturned boat. Two didn't manage to keep holding on, and slipped away in the night, the

others haven't been able to tell us when. The small boy was still with the others by the boat, but was dead when we found them."

Capt Glandino said the weather was perfect when the party went out. "Even those who know the lake were

taken by surprise by how quickly the storm blew up. Perhaps their only imprudence was not to put their life-jackets on immediately."

"There was a very strong wind which must have caught them by surprise," said Katia Baumann, head receptionist

at the hotel. The families had been on a two week holiday, booked through Thomson and First Choice. "It hadn't rained for two weeks and we had been having temperatures in the 90s, so sooner or later there was bound to be a storm," Ms Baumann said. A

local reporter said the survivors had been spotted in the morning by a passing boat; their overturned boat, which was licensed to carry up to seven passengers, had been carried down the lake by wind and currents for about 30 miles. "They probably

didn't know the lake is renowned for the suddenness of its storms," said Maria Paola Pastini of the ANSA news agency. "They should have returned as soon as the wind started, but they wouldn't have known, and one can't say they did any-

thing irresponsible. The rescue services were very busy last night, because there were other boats in difficulty. A party of Germans was rescued elsewhere on the lake, and there may have been confusion as to who was still missing," she said.



Searching Lake Garda for the body of an English teenager presumed drowned after a boat overturned. Those of his father and brother have already been found. PHOTOGRAPH: FELICE CALABRO

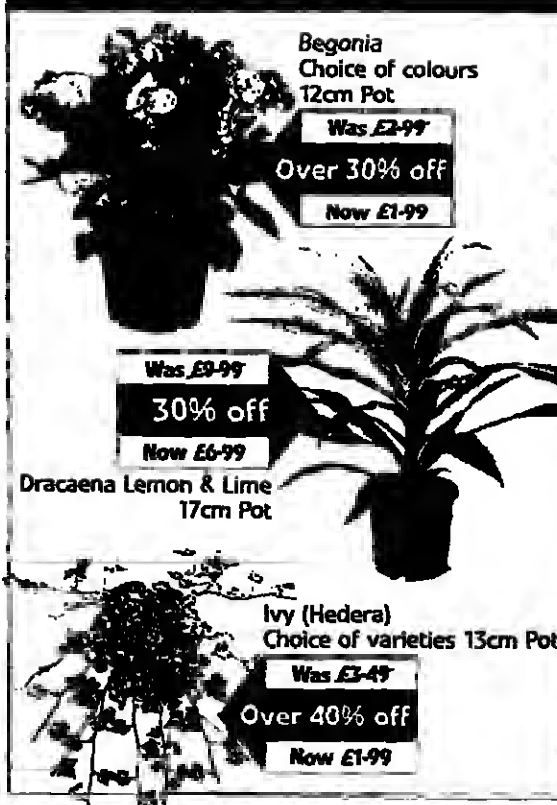
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Stadium safety to be extended

Vivian Chaudhary

THE Government is considering extending some of the recommendations of the Taylor report, drawn up after the Hillsborough football disaster in 1989, to all main sports to help improve crowd safety.

A document is being sent to sporting bodies outlining plans which involve setting up a central organisation to oversee and improve safety. While the Government is not calling for all stadiums to become all-seater, as in Premier League and First Division football, it claims that some of the expertise gained from the implementation of the Taylor report should be extended to all the country's leading sports.

The report by the late Lord Justice Taylor after Hillsborough, when 96 people died, led to all-seater stadiums at top football clubs and a number of other measures to improve safety at football grounds. Nearly all his recommendations have been put into place.

The Government wants to disband the Football Licensing Authority (FLA), which regulates football ground safety, and replace it with a body to be known as the Sports Ground Safety Authority.

The FLA was set up as a result of the Taylor report but the new authority will cover all the main spectator

sports, including cricket, horse racing and rugby.

While local authorities will still be responsible for licensing and regulating venues, the new authority will oversee the process, liaise with government and make recommendations.

Areas which it will be responsible for include steward training, terrace safety, construction of gangways and crash barriers and ensuring that all stadiums have safe capacity limits.

The document being sent to sports governing bodies says that while local authorities have been regulating sports grounds other than football, "even so these sports grounds are not trouble free, and the sports governing bodies are seeking to ensure that spectator accommodation and safety management keeps pace with good practice".

A spokesman for the Department of National Heritage, which covers sport, said: "The FLA has done its job exceptionally well and it is anticipated that it will have achieved much of its original role quite soon."

The Government also points to an increase in safety management at most football clubs.

In 1989 fewer than 10 clubs had safety officers, while now all Premier and Football League clubs have such officers.

Few other leading sports clubs have officers specifically dealing with safety.

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Survival and the single woman

Fergie looks to Sky for chat show throne

Janine Gibson
Media Correspondent

MOVE over Kilroy, Oprah, and Vanessa. Fergie is launching her own bid to become queen of the daytime talk shows by signing up with Sky television to present an hour-long weekly debate show.

Called *Surviving Life*, the series, starting in October, will go out at 8am, and be repeated at 4pm on Mondays. Focusing on "everyday personal issues", the Duchess of York will draw on her own troubles to host the debates, which will have a small audience. The 10 programmes will be produced by Prospect Pictures, the company behind *The Good Sex Guide*.

The Duchess of York, who said she was "greatly looking forward to the challenge", explained that the series would be "about people, and the real problems they face in society today". The secret deal has been negotiated over three months, and Fergie recorded a pilot before the decision was taken to commission the series. Sky said yesterday that she had taken part in several "informal workshops".

Unlike other daytime



The Duchess of York... ready to host debates, after talk shows and a juice commercial

shows of its kind, *Surviving Life*, which will be recorded in September, will not be broadcast live. And, unlike Fergie's other media activities, this venture will, apparently, not pay her. An appearance fee, believed to be about £50,000, will be donated to charities chosen for their

relevance to each of the programmes in the series.

The duchess is no stranger to television. She has been on talk shows in the United States, and in fruit juice commercials. Her experience as an interviewer may be limited to some profiles for *Hello!* magazine, but local rivals,

such as Vanessa and Esther, will have to work hard to match such exposure as her performance on *Ruby Wax Meets* and her cameo role in the *Friends* in London finale. Elisabeth Murdoch, Sky's general manager, said that the Duchess of York had a real talent for television.

Bridget Jones has an evening date for her diary

IT IS the kind of thing that Bridget Jones herself would rather die than admit to: sitting at home on a Saturday watching *Bridget Jones's Diary* on BBC2, writes Janine Gibson.

The theme night on the problems and interests of single thirtysomethings will be broadcast this autumn, billed as "an evening of programmes not to be missed by the single woman in search of a mate".

Given the scheduling, however, it is more likely to be for the amusement of the smug marrieds stuck at home without a babysitter. Bridget, one would hope, would be analysing the issue over a bottle of Chardonnay in a wine bar.

The spoof column *Bridget Jones's Diary* started out in the *Independent* and became a best-selling book by Helen Fielding. Thirtysomething *Bridget* chronicles the chaos in her love life, her horror at "smug married" friends and her rage towards caddish boyfriends. The book has sold about a million copies, and a film is under way by the company Working Title. Kicking off the evening, Lowri Turner will explain



Helen Fielding... Her column generated a best-seller. Next, the theme night and the movie

"how to meet the perfect mate", says the BBC. The documentary will look at advice groups, dating agencies and rule books a single woman can consult in her quest. Turner will be trying out some of the advice herself.

In between programmes, celebrity narrators will read extracts from Fielding's book. These will have a "personal meaning for the people involved". There will be a documentary examining the history of single women in TV sitcoms and popular drama, followed by classic episodes

from girlie sitcoms of the past, such as the *Liverbirds* and *Take Three Girls*. The night will end with an "informal discussion" featuring famous thirtysomething single women — none of whom, presumably, has anything better to do on a Saturday night.

Ulster proves worst region for man's best friend

Paul Brown
Environment Correspondent

NORTHERN Ireland is the worst place in the UK to be a pet dog, according to a survey that shows a big difference in the way the regions of Britain treat man's best friend.

The province has an appalling record of abandoning pet dogs, with 13,000 strays caught last year — one for every 150 people.

Half of those captured were subsequently put down. This

compares with the South West of England, where strays have the best chance of survival. Only one in 100 strays met with an untimely death. The 5,000 dogs captured there represent one for every 700 people in the region.

The National Canine Defence League, which compiled the figures with the help of MORI and local authorities, say nationally 20,250 healthy dogs are destroyed each year out of the total of 135,000 strays picked up by local authorities.

"This is an appalling record for a nation of dog lovers," the league says. Stray dogs are a big problem, which cost £21 million last year. They have to be kept for seven days before they can be destroyed, and most are kept for much longer in the hope their owners will claim them. The cost has almost doubled over the previous year as local authorities have invested in new microchip technology, neutering schemes and more dog wardens.

Dogs can have a microchip inserted under the skin of the

neck so the name and address of the owner can be read by a scanner, says the league. By law all dogs are supposed to carry a identity tag on their collars.

The organisation rates regions and their care for their dogs by the number of strays captured per head of population. London therefore comes out best with one stray for every 1,200 people, and one in 30 of these destroyed. Southern region is second best with one stray for every 800 people, but only one in 50 destroyed. South West has

more strays — one for every 700 people — but only one in 100 is not reunited with owners or "re-homed".

In general those in Scotland, Wales and the North of England treat their dogs less well than the rest of the country. The league believes neutering pets is the best long term method of reducing the stray problem. It set up a pilot scheme last year to provide a cheap neutering service in the North East, and cut the number of stray dogs in the region by 5 per cent.

The league chief executive,

Clarissa Baldwin, said: "It is heartbreaking that so many healthy dogs are needlessly destroyed."

The total number of strays in each region — arranged in order according to number of strays per head — were: Northern Ireland 13,000, Scottish Borders 2,500, Wales and West 18,000, North East 9,000, Grampian region 2,500, Central Scotland 11,000, Lancashire and North West 18,000, Yorkshire 10,000, Midlands 19,000, East Anglia 7,000, South West 5,000, Southern 7,000, London 10,000.

Children found in car killed by smoke and exhaust fumes

THREE children found dead in a car at a remote beauty spot perished through smoke inhalation and carbon monoxide poisoning, Staffordshire police said yesterday.

Lucy Carter, aged seven, her sister Hollie, aged three, and their brother Thomas, aged four, were found in the car near Alton Towers theme park on August 2. Their father Steven, aged 36, who lived with them, near Uttoxeter, Staffordshire, was found hanging from a tree 200 yards from the vehicle. A police spokesman said

that the Home Office pathologist, Kenneth Scott, had confirmed the cause of the deaths, and that the children's mother, Teresa, aged 32, and others of her family, had been told of the findings. The farmworker who found the children in their father's black Ford Capri at Weaver Hills, Staffordshire, said the two girls were "huddled up together" in the back of the car and the boy was "lifeless" in the front. The police, who said a fire occurred in the car, confirmed that an inquest would open early next week.

Police refuse to give up 20-year search for girl

Geoffrey Gibbs on how a spinning bicycle wheel in a country lane was the only trace left of Genette Tate

TWENTY years ago police were baffled by the strange disappearance of a Devon schoolgirl. But they have not given up, and are making a fresh appeal for information to coincide with the 20th anniversary of the disappearance.

Genette Tate, a slim-built girl aged 13, went out on a Saturday afternoon in August 1978 to deliver newspapers near her home in the village of Aylesbeare outside Exeter, and has never been seen since.

Her bicycle was found lying undamaged on its side in the middle of a country lane by two friends who had been walking with her minutes earlier. The bicycle's front wheel was still spinning.

At first her friends thought she was playing a game and went calling her name in the high, overgrown hedges flanking the twisting lane. When it became clear she

was not hiding, they ran to tell her father, who had just returned from a trip to Exeter. Within hours a police incident room had been set up in the village hall.

At the time, the girl's disappearance caused widespread anxiety in the region. More than 5,000 people turned out to help a police search of the locality of the disappearance. But an intensive effort involving at one point 300 police officers has found no trace of her has ever been found.

Devon and Cornwall police have interviewed two men — a child killer, Robert Black, and another convicted murderer, Ian Bealey — during the course of the long-running investigation. They were in the area at the time, but nothing has been established beyond that — and there is the unresolved question of who was the driver of a Triumph car seen in the lane that afternoon.

Now the investigators hope publicity that will surround next week's 20th anniversary can provide fresh leads.

Alan Street, the assistant chief constable, said: "We are very keen to hear from anyone who might know something. I want to stress that the file on this mystery is still well and truly open, and we are happy to follow any lines of inquiry." Photographs of the killers Black and Bealey, and an artist's impression of the driver of the maroon Triumph car, have been released to Joe, memories of anyone who might have seen them that day.

Black, who is serving 10 life sentences for the abduction and murders of Susan Maxwell, Caroline Hogg and Sarah Harper, and the attempted abduction of a girl aged 15 from Nottingham, has been interviewed twice by officers on the Tate case but has denied abducting her.

He is known to have regularly used a red Ford transit van during the summer of 1978 when his job as a poster deliverer included a run that would have taken him to Exeter.

One person at the time of the disappearance reported seeing a red Transit being driven at speed from the direction of Aylesbeare, but was unable to describe the driver.

Eighteen years later, a woman who had been on holiday in the area told police that Black was the driver of a red Transit she had seen watching her children outside Exeter airport, near Aylesbeare, that day. She contacted police after seeing a picture of Black in the paper — but was unaware he was known by police to have driven such a vehicle.

"We can't prove Black was in Aylesbeare on that day but neither can we eliminate him," officers said yesterday. "We are monitoring his condition in prison and continue to review whether it would be worth another attempt to speak to him."

"We can't do any more without more information, and we are very keen to hear from anyone who knows of him being in the Exeter area." Police say that Bealey, convicted of the murder of Virginia Maund in Exeter in 1981, is known to have been in the Aylesbeare area when Genette went missing — travelling from farm to farm as an artificial inseminator for the Milk Marketing Board.

But officers say there is no evidence to connect him to the disappearance, and nothing to suggest "bizarre" behaviour prior to 1981.

Investigators also believe it possible that there was in fact a third murderer in the village that August. They want to trace the driver of the maroon Triumph, and also the driver of a blue car seen reversing out of the lane only minutes before the girl's friends found her bicycle.

Detective Constable Phil Dicks has been on the investigation since the outset, and is determined to see it solved.

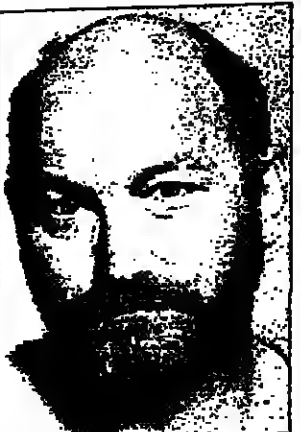
"It was probably the biggest mystery in the force's area and remains so."

"Living with the uncertainty must be almost unbearable for the family. It is frustrating knowing that the offender is still at large, or may be in custody for other like offences but can't make a clean breast of it."

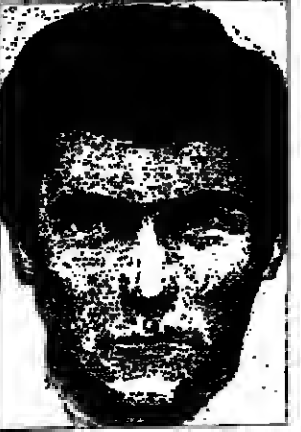
"It is certainly the great mystery of my 28 years as a detective."



Genette Tate: at one point 300 police officers were trying to find the 13-year-old who disappeared on her paper round



Robert Black: serving 10 life sentences



Artist's impression of the driver of the Triumph car



Killer Ian Bealey: was in the area of the village

Only the wealthy Paris region stands aloof from the curve of continental riches, writes **Paul Webster**

Hot banana splits Europe

GREATER London is the European Union's third most productive economic area, according to a French study of Europe's 196 officially registered geographical units. Paris and its suburbs are at the top of an international league of gross domestic product (GDP), and Lombardy, north Italy, is second.

The study, the first of its kind to produce a map of the disparity in EU production capacity, reinforces the "hot banana" theory devised by the geographer Roger Brunet 10 years ago that prosperity is concentrated in a curve running through London, Brussels, Munich and Milan. The exception is Paris-Ile de France, a region of nearly 12 million people well to the west of the "banana". Even using a EU standard buying power factor, Parisians are still rated much richer than Londoners or Milanese.

Paris-Ile de France produces 5 per cent of European

GDP with only 3 per cent of the 360 million community population. Greater London contributes about 2 per cent. Yesterday Michel Hamoun and Christine Lalou, who drew up the report for the government statistics department, insee, said it was a valuable indicator of the differences in productivity and income across Europe.

"This is the only comparable basis available in Europe and will be used as the criteria for [European] Commission experts to distribute funds," an insee official said.

The study is also a geography lesson, showing how Brussels looks at the 15 EU countries when considering aid. The UK is split into 30 regional units while Ireland and Denmark are considered as single areas. One of the smallest units, the Finnish Åland Islands, is also the poorest, while Luxembourg, whose population is not much bigger, is one of the richest.

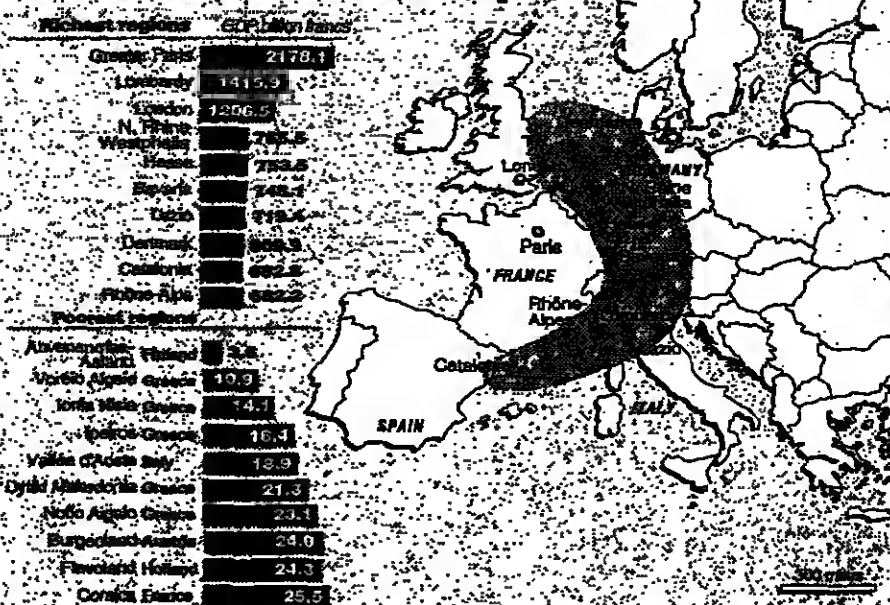
The Rhineland is the fourth most powerful unit in GDP

terms but the richest in average capacity per head using weighted EU criteria on purchasing power.

France, with 22 regions, provides some striking internal comparisons. While two areas are in the top 10 — Ile de France and Lyon-Rhône-Alpes — Corsica is 188th. Ireland is only 128th in prosperity. Only 19 of the UK regions are in the top half of the league. South Yorkshire, Essex, Clwyd, Cornwall, Derbyshire and Nottinghamshire, Dorset and Somerset, and Merseyside are fairly low down. Greater London, Greater Manchester and Grampian are in the top 20.

Eight countries produced above average GDP: Luxembourg, Belgium, Austria, Denmark, Germany, France, the Netherlands and Italy. In that order. The below-average states were Sweden, the US, Finland, Ireland, Spain, Portugal and Greece. Some of the poorest regions, like the Val d'Aoste high up in the Alps, fall within the banana curve.

The richest areas of Europe



Clinton and Blair set date for Third Way conference

Martin Walker in Brussels

TONY Blair and Bill Clinton are planning an international launch of their "Third Way" ideology at a one-day conference in New York on September 21 with other world leaders, but without the official presence of French, German or Japanese politicians.

The event has also been designed to highlight the role of Hillary Clinton, who is to lead one of the day's three seminars.

It will be held at the New York University Law School as political leaders gather for the United Nations General Assembly session.

The Italian prime minister, Romano Prodi, is to attend, along with Sweden's Göran Persson. But the German elections on September 27 will prevent the German Social Democrat leader, Gerhard Schröder, from attending.

The absence of the French prime minister, Lionel Jospin, seen as too traditional a socialist for a Third Way event, will add to the Anglo-Saxon character of the occasion.

Japan's political culture is considered tangential to Anglo-American concerns and none of its politicians has been invited.

These absences are seen as a potential problem for an event taking place alongside the UN assembly, and when so much of Third Way thinking is fed by an awareness of the global economy as the most potent current motor of change.

Hence the invitations to Mr Prodi and Mr Persson, who are seen as embodying the Third Way in Europe: the stress on global economic themes; and the role of the World Policy Institute, the New York think-tank sponsoring the conference.

The event has been planned by the staffs of the British and US leaders, who are convinced that their own modernisations of traditional Labour and Democratic party doctrine have a global significance.

"This is not about some

arcane ideology that is dreamed up by intellectuals," the presidential aide Sidney Blumenthal said. "It is the practical experience of two leading politicians who win elections, operate in the real world and understand the need in a global economy to find common solutions for common problems."

Mr Blumenthal, who with the prime minister's chief of staff, Jonathan Powell, presided over the Blair-Clinton seminar at Chequers in May, said the themes of the day's seminars have been designed "on a practical basis, to grapple with immediate political issues".

Mrs Clinton is to lead the first of three seminars, on the future of civil society and democracy. The other two seminars are on ways to strengthen democracy in the global economy, and the future of opportunity.

Mr Clinton, Mr Blair and Mr Prodi will all speak at the final session.

None of the participants thinks "Third Way" properly defines the kind of market-friendly social democracy they believe is being built.

Both Mr Clinton and Mr Blair reject the idea of market forces unrestrained by social and democratic concerns, but also see the traditional left-of-centre faith in state intervention in the economy as outdated.

The challenge is to define what they are for, rather than "Third Way" as a label. At Chequers, Mr Blair and Mr Clinton both approved of the concept of the "social investment state" — as opposed to welfare state — proposed by Professor Anthony Giddens, director of the London School of Economics.

Political thinkers, social scientists and religious intellectuals are now being tapped to contribute to the conference.

Professor Giddens is to be invited, along with Julian Le Grand, professor of social policy at the LSE, who has suggested that the acronym CORA covers much of Third Way thinking. It stands for community, opportunity, responsibility and accountability.

Villagers return to lives ruined by Serb hands

Jonathan Steele in Nepolje

THE old man wearing a white felt hat stood, uncomprehending, beside the grey ash heaps that were once haystacks. The shape of his traditional headgear provided a ghostly echo of the useless remains of the harvest.

It was clear that a match or other kindling had been deliberately aimed at the hay. The same invisible hands had turned to the two-storey house nearby, this time presumably armed also with petrol. The windows were blackened, the interior was wrecked, and a huge hole gaped through the roof. Shattered tiles lay all around.

Pieter Krasniqi had no doubt who the perpetrators were. Before he and his neighbours ran into the nearby woods, he saw the Serbian police enter the village.

Three weeks ago the police destroyed a huge swath of villages in central Kosovo, then days later moved into Drenica — the first area in the Serb-controlled province the independence fighters of the Kosovo Liberation Army thought they had freed.

Now the police are moving through western Kosovo, looting and destroying independent villages.

In Mr Krasniqi's village



An ethnic Albanian woman and her grandson outside their wrecked home in the Kosovo village of Rezalla

of Nepolje, 37 of the houses were gutted by fire. As well as the haystacks, the Serbs struck at their cattle. The stench of rotting flesh from slaughtered cows hangs heavy in the air.

The women and children are still hiding in the woods, too traumatised to come out. The men take it in turns to make the four-hour trek with water and food for them.

In Glogjane, two miles away, the Serbs chose their targets more selectively. They hit only two houses, one of them the village's biggest — a three-storey building in a large family compound. It is owned by Rok Berisha, a leading member of the Democratic League of Kosovo, the main ethnic Albanian party.

When the Serbs came, he and his family hid in the Roman Catholic church

next door. For two nights, he says, he watched as the police slept in his house, then loaded TV sets, videos and carpets into his lorry.

"I walked into the compound, saying I wanted to check on the cows," his 74-year-old mother Ziza said yesterday. "I saw them

'Bad as it gets we'll stay. My children will enjoy freedom even if we don't'

pouring petrol and setting light to the house."

She took us through the charred and blackened shell. The ash-covered stairs to the top floor were open to the sky. Standing in the rubble of the kitchen, Mr Berisha put his arms around his children's shoulders.

"If the KLA can't defend us, someone else must," he said. "But whatever happens, the Serbs cannot get rid of us. We will stay here, however terrible things get. My children will enjoy freedom even if we don't."

The vandalised villages of Nepolje and Glogjane are in the triangle between the

main east-west road from the capital Pristina to Pec and the southward road from Pec to Djakovica. The Serbs are concentrating their main fire on other villages a few miles further south where large groups of KLA fighters were once based. In recent weeks the KLA has ambushed Serbs several times along the main road.

KLA fighters retreating from Ruzic, a village captured by the Serbs on Wednesday, were tense and confused. A commander from another group defending territory further back said 18 KLA fighters had been killed and 20 wounded in the defeat.

We saw columns of refugees on the move. One man, sweating as he carried his three-year-old son on his shoulders, said they were hoping to reach Montenegro. After two months going from village to village after his own home was destroyed, he and his family now wanted safety beyond the borders of Kosovo.

Under heavy pressure from the United States, Kosovo's ethnic Albanians yesterday announced a new team to negotiate with the Serbs. It did not include representatives of the KLA.

Wellington right-wing coalition faces a split

Christopher Zilm in Sydney

THE deepening rift in New Zealand's right-wing coalition government led to calls for a snap election yesterday as the prime minister and her deputy engaged in a public slanging match.

Jenny Shipley, the National Party prime minister, is expected to sack her deputy and treasurer Winston Peters, who walked out of a cabinet meeting about the sale of Wellington's antiquated airport.

Twenty-four hours later, Mr Peters accused Mrs Shipley of deceiving him about the deal.

She then punctured hopes of an easy reconciliation by accusing the leader of the New Zealand First party of putting himself before the good of the country and questioning her integrity.

The acrimonious scenes in

the once-stable 20-month-long political marriage were played out publicly on television and in parliament.

The National Party holds 44 of parliament's 120 seats and has a formal coalition agreement with the 16 MPs from New Zealand First and the informal support of 10 independent and minor party MPs.

Mrs Shipley said she had taken legal advice on the possibility of sacking Mr Peters, who says he will not resign.

This opposition Labour Party leader, Helen Clark, challenged the prime minister in parliament to put her popular support to the test and call an election more than a year before one is due.

"We don't have a functioning government," said Ms Clark. But Mrs Shipley said she could remain in power even without the support of Mr Peters and would only consider an election as a last resort.

"I believe we can run a minority government, either in the current form of the coalition or in another form and I intend to exhaust all the options in that regard in the next few weeks," she said.

The bust-up over the sale of the government's 65 per cent share in Wellington's airport has been rumbling for weeks. Mr Peters wanted a guarantee that it would remain in majority local ownership.

"We will not sell the public assets of this country into foreign ownership, nor will we sell our principles and beliefs purely for positions of public office," he said.

But after he stormed out of cabinet with four other ministers from his party, the meeting agreed the full sale of the airport.

It is ironic that an argument over such a small-scale privatisation should threaten the stability of a country which has undergone the

wholesale sale of public assets in the past decade's former cradle-to-grave welfare system and highly regulated economy have been revolutionised by governments of both sides intent on making the country internationally competitive.

But the recent high-profile failure of a privatised electricity company to restore power supplies to Auckland has caused some to question how much further the rationalisation should go.

Mrs Shipley has invoked the disputes procedure of the coalition agreement in the hope that it may resolve the split, which has caused falls on the local stockmarket.

While admitting that the situation was "very serious", she said: "It may well be that we can find some new ground on which to work, and I'm very interested in doing that."

Don't blame PR, page 12



Prime minister Jenny Shipley and rebel partner Winston Peters in parliament yesterday

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The Guardian Friday August 14 1998

Embassy guards recall bombers' fast approach and smaller explosions

Karl Wick and Stephen Buckley in Nairobi

Benson was at his usual post, manning the barrier at the rear entrance to the US embassy when he saw something unusual: a lorry making an abrupt left turn off Haile Selassie Avenue, bounding over a curb and approaching the embassy car park "at a terrible speed".

The vehicle, which the private security guard identified as a 3.5 ton Mitsubishi Canter, had a covered load — the bomb that killed 247 people and injured more than 5,000. It lurched into an abrupt turn just as Mr Bwaku raised the barrier to let out a three-wheeled mail cart.

"Something here told me that truck was unusual," Mr Bwaku said yesterday, pointing to his stomach.

Concerned, Mr Bwaku asked the driver of the mail cart to hurry so that he could drop the barrier. But as the lorry steered into the narrow car park shared by the embassy and the adjacent Ufundi Co-operative Bank House, a white saloon car emerged from the garage beneath the bank and blocked the lorry.

A second later a dark-skinned man with longish, straight hair jumped out of the lorry's passenger side and strode quickly to Mr Bwaku. When he reached the barrier

the man, who seemed to be Arab, aged thirty-something, reached into the pockets of his baggy grey jeans and pulled out what Mr Bwaku took to be explosives. In his right hand were four small, rounded devices with strings. In his left hand was a smaller, spherical device.

"Open the gate!" the man demanded in English, and threw the object in his left hand at Mr Bwaku's forehead. "I dodged down," he said. "I passed over me and I heard an explosion."

The guard fled out of the box canyon formed by the em-

Boka, was standing near the road. He said yesterday that as the smaller devices exploded, the lorry driver began firing a pistol toward the embassy. He remembered shouting "Benson! Danger! Danger! Bomb! Bomb!" before fleeing.

Mr Bwaku, turning at the corner of the embassy, was trying to reach the lobby when the lorry exploded. His life was saved by the embassy's squat structure absorbing much of the concussion. None the less he was knocked off his feet. Window frames falling towards him were caught by branches of

Benson shouted into his walkie-talkie. 'Base! Base! Terrorism! Terrorism!'

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A relative of Jean Dalizi, one of the 12 American victims of the US embassy bombings in Nairobi and Dar es Salaam, holding her picture at the start of a memorial ceremony in Washington for some of the dead. PHOTOGRAPH: STEPHEN JAFFE



Celebration: an elaborate, costly exercise in social engineering. PHOTOGRAPH: TREVOR RAY HART

Robbery tarnishes Disney dream

Crime was just not meant to happen in Celebration, Florida. Gary Younge on how reality arrived in the 'city of tomorrow'

IT WAS supposed to be an antidote to urban meltdown and suburban sprawl — a showcase community which would exemplify the best of small-town America, created by the Walt Disney company.

But the residents of Celebration, Florida — just a few miles from Disney World — were shocked yesterday by the town's first reported violent crime.

A robber, claiming to have a gun, threatened a family and then took two credit cards and an undis-

closed amount of cash from their home.

And then, in the spirit of the values that created the "city of tomorrow", he said sorry.

"The victim never did see a gun," said a spokeswoman for the Osceola county sheriff's office, which polices Celebration.

"The robber was polite and apologetic and he drove off in a blue Honda."

Since the first resident arrived in Celebration in 1995, its law enforcement officers have had to deal

with a few stolen bikes and the theft of tools from a construction site.

"My first reaction was shock and surprise," said Catherine Conneely, who moved to the town almost two years ago.

"Then I thought that it proves this sort of thing can happen anywhere. We shouldn't be naive."

It marks a coming of age for the 2,000 residents of a town built as much of nostalgia as bricks and mortar. The whole point of Celebration, the fastest-selling de-

velopment in central Florida, was that "this sort of thing" should not happen.

From its conception the town has been an elaborate and costly exercise in social engineering governed by strict laws — contained in 2in-thick book of covenants — on everything from architectural styles to the choice of lawn ornaments.

All the houses, which range in price from \$100,000 to \$600,000, are built in one of six approved styles: classical, Victorian, colonial revival, coastal, Mediterranean or French. There are even rules about the colour of curtains.

The idea was to recreate a sense of community that

Americans feel they have lost.

"What Celebration is an example of extreme thoughtfulness about how a community is organised — how a person walks through the neighborhood," said one property developer.

Erent Harrington, the community services manager for the Celebration company, a Disney subsidiary, said the townspeople were more worried about the plight of the victims than their security.

"We have all the same issues that every other community in America has, but we feel this is a very safe place," he said.

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Fox sued for shattering illusions

Christopher Hood in Los Angeles

IF YOU are a magician, the Trade Secrets Act means rather more than not revealing the ingredients of a new brand of toothpaste or mayonnaise. To the professional magician Robert Gurtler, his secrets are his living.

When Rupert Murdoch's Fox television network ran a three-part series called Breaking the Magician's Code: Magic's Greatest Secrets Revealed, in which a masked magician exposed the illusion behind Mr Gurtler's best trick, the Table of Death, he was infuriated.

He and fellow magicians have filed a suit in the Los Angeles superior court accus-

ing Fox of violating the Trade Secrets Act by taking the "mystery out of magic" and giving away what amounts to magicians' trade secrets, a matter the law will have to tackle for the first time.

"All it takes for something to be a trade secret is for the alleged owner to derive an economic benefit from it, and to have taken reasonable steps to protect its secrecy," the lawyer David Baram told the Wall Street Journal.

"There's a lot of time, energy and passion in the design and creation of these illusions. It's a life's work, and when that's destroyed it's much more than a lost trick in an act."

Traditionally, magicians have guarded their tricks zealously from anyone but a

recognised fellow practitioner, and sometimes even from them. Mr Gurtler, whose stage name is André Kole, complains that no one has any illusions about the Table of Death since it was exposed on the programme.

It revealed that the leather straps binding the magician to a table were in fact Velcro. By the time the curtain was pulled and the spiked canopy apparently crashed on his body, he had undone the straps and jumped on top of the canopy, where he was seen as the curtain was drawn again.

Robert Crosskey, another magician, complained that in a recent performance of his "linked rings" act, in which he appears to separate a chain of rigid metal rings,

members of his audience shouted: "We know that one." They had seen the trick exposed on television.

Mr Crosskey, one of 3,000 smalltime magicians in the United States, said: "These tricks are bread and butter for us. We are not David Copperfield. They're exposing what we make a living from."

The magician who gave away the secrets has been identified as Leonard Montano, whose stage name in Las Vegas is Valentino. He is named as a defendant.

His best trick involves locking a woman in a coffin-like box and perforating it with knives. He may need all his magical powers to settle the case, which involves millions. Fox is saying nothing about the case.

Philosophers prove thought can count

Patricia Ferdinand in Boston

THEY think, therefore they are here. Dressed in saris and shorts, howties and berets, more than 3,000 philosophers have converged on two swanky downtown Boston hotels for the 20th World Congress of Philosophy.

They will wrestle with subjects as esoteric as metaphysics and as erotic as Hustler magazine during the week-long event, while promoting the modern relevance of their scholarship.

"If I had to defend funding philosophy to the taxpayers, I would say it's not a bad thing to have people wondering about wondering 'Why the hell are we doing this?'" said Martin Kusch, aged 38, a lecturer from Cambridge University, smoking a cigarette.

"I wouldn't say we need philosophers to tell us right from wrong. It's just they have more time to think about it."

Philosophy departments at colleges and universities shrank or disappeared in recent years as the field grew increasingly obscure.

In provocative opening remarks on Monday, the chancellor of Boston Uni-

versity, John Silber, said philosophers had only themselves to blame for their predicament after turning their backs on universal truths and transforming the field into "an assault on reason".

But delegates insist that reports of their demise are premature and say they are prepared to help resolve debates over contemporary issues such as cloning, abortion, affirmative action and computer ethics.

"They may have cause for hope, at least in the United States. The number of philosophy students increased by 5 per cent a year between 1990 and 1995, according to the US department of education. In 1995, colleges and universities awarded 4,782 bachelors' degrees in philosophy, 741 masters' and 285 doctorates.

The US employment rate for doctors of philosophy is 88.9 per cent, higher than the average in the humanities, says the American Philosophical Association.

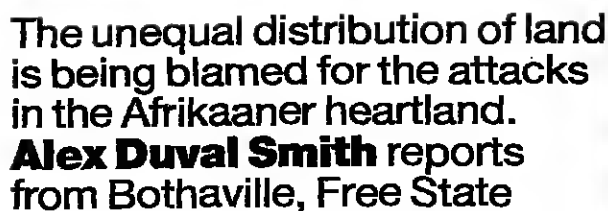
One of the organisers of the congress, Alan Olson, a Boston University religion and philosophy professor, said: "Philosophy had gone on holiday, and now it's coming back." — Washington Post.

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South African farmer Hennie Louwrens (left) makes a routine patrol on his land. He was shot at in March in a rash of attacks on white farmers which has led to opposition claims that the government does not care about white victims. Jan de Toit (far left) is among the farmers who have beefed up their security measures, while others have crossed the line into vigilantism.

PHOTOGRAPHS:
CAROLINE
SUZMAN and
HENNER
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He was attacked with his own arsenal of weaponry — the baby Browning, a 9mm Baretta pistol, an Uzi sub-machine gun, a hunting rifle and an R4 assault rifle — issued by the South African military as part of its security scheme for farmers.

South African farm and their relationship with their staff good.

He said: "I grew up with one of my workers. We have known each other for 40 years. They have their own cattle and I plough a piece of land for them. I pay them a monthly salary, with a bonus after the harvest.

"I provide electricity and water and 80kg of maize meal a month. Some people think it is strange to pay in food but they prefer it that way, because they do not have transport to go and buy the meal."

Mrs Louwrens, a former primary school teacher, said:

"When one of their children is hurt, they know to come to me for medical help. When they have marital problems, they come to me and I mediate. When one of the women was beaten, they came and asked for advice."

Their "us and them" world is typical of the Afrikaner-dominated Free State, where farm attacks have been most numerous. But the couple insists that the image of the white farmer beating his black labourers is outdated.

"Ninety-nine per cent of farmers have a good relationship with their staff. One of the farmers who was killed in this area had left 100,000

YET the police who arrested the five men for the attack on the family believe it was an inside job.

"They think one of the women gave information about the house. I would like to fire her husband, who still works for me, but under this new labour legislation, I cannot," Mr Louwrens said.

Mr Louwrens considers tax strikes an option, but would prefer the introduction of new commando units to police farms, "as long as they also

had blacks in the ranks", he said. He would like international pressure to be brought on the government to take action against the attacks.

Most progressive, urban South Africans have little time for the complaints of the country's 80,000 mainly white farmers who used to represent the mainstay of the National Party vote in circumstances drawn up to lend weight to the rural vote.

While the SAUD and the Freedom Front argue that the attacks are politically motivated and possibly organised, Mr Hanekom has come under fire for expressing his view that the majority of farmers

supported the apartheid system that created the problems, which are being rectified only slowly by new legislation.

Mr Hanekom said: "The farmers never threatened to withhold taxes when children were in detention and activists were being poisoned; the never threatened civil action against apartheid. Why suddenly are they threatening civil action?"

But Mr Louwrens, who now carries his Baretta on his hip after dark, was insistent. "I am an African and I intend to remain an African. I work for this land and no one going to take it away."

Pay Nothing Until August '99

TURKEY's top general is convinced that Greece will provide a short military confrontation later this year, as part of a plan to isolate Turkey politically.

General Ismail Hakkı Karayı, outgoing chief of the armed forces, told the defense magazine to say: "Some elements in Greece are exaggerating the level of political instability in Turkey."

"They want to take advantage of that, by having a controlled clash between the two countries,"

Turkish officials are convinced that Greece believes it would gain from an armed conflict, even at cost on the Aegean islands.

The ensuing political support for Greece from the European Union would isolate Turkey.

Some foreign diplomats are worried that "the Greeks are concerned about the prospects for a military clash," said an Ankara-based source.

Even if Turkey believes it is being deliberately provoked, it is not likely to follow a strict policy of reciprocity, matching any Greek military

move step for step, but the fear is that events could escalate quickly.

The most obvious flash-point is Cyprus, in June, Athens sent 16 F-16s to planes to visit the island. Within 48 hours Turkish F-16s flew to the self-declared Turkish Cypriot state in the north. Tension in Cyprus will soar if the Greek Cypriots go ahead with the deployment of sophisticated Russian anti-aircraft missiles later this year.

Greece and the Greek Cypriots have a joint defence agreement which Turkey sees as a threat, even though the Turks enjoy overwhelming military superiority. Diplomats in Ankara argue that elements in the Greek armed forces may be prepared to overthrow the state to prevent belief that the United States will not let a brief skirmish

between two Nato allies develop into something more serious.

serious. The US is reported to have warned Athens not to assume that Greece would intervene straight away, however. Washington does not want to be part of any calculation which could lead to war.

The other main source of tension between Turkey and Greece is the series of disputes in the Aegean Sea. Nato has been working on confidence-building measures in the area, though previous initiatives have had no lasting effect.

The two countries came close to war over the ownership of a tiny island which the Turks call Kardak and the Greeks call Imros. The wake-up call, one diplomat said, "It proved how serious this situation is."

The Turkish foreign minister was quick to add that Gen Karadayi's comments about Greek plans, though some officials have been saying the same thing privately.

"The foreign ministry is adopting a more balanced approach," said Hasan Ural of Bilkent University, "but

Greek-Turkish arms race 'fed by US'

The United States is planning to supply Turkey with new F-16 fighters and Greece with new F-4E fighters. Turkey has already fed five F-16s into the air, providing huge quantities of weapons and spare parts. A few days ago, British and American security ministers met in London. It was the first time since the 1970s that the two countries have been so close. It is expected the US will "get the double standard" in trying to mediate between the two countries while at the same time selling advanced offensive weapons to both sides.

Both Greece and Turkey are planning to buy US F-16 fighters, aircraft, attack helicopters and missiles. The US is part of arms processing programmes costing, respectively, \$1.5 billion and \$2.5 billion. "Together we can do more than any other country," says a British official.

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
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➔ Sanath Jayasuriya will walk out at Trent Bridge today with his special talents still bringing a sense of rare anticipation.

Sport98, page 8

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Analysis Lobbyists

Lobby fodder comes in £ millions

What the Draper affair disclosed was just how much taxpayers' money government bodies are handing over to private consultants and lobbyists for information. Yet on close inspection, says **David Hencke**, it turns out the information is free and easy to get.

OUR democratic representatives are in recess. The green benches of the House of Commons are empty and Gilbert Scott's corridors stand silent. That means it's also down time for what nowadays amounts to a considerable industry. At best you could call this new business democratic intermediation. At worst here's a symptom of the wastefulness of modern government, where one bit apparently has to pay large sums (to private companies) in order to communicate with another. Some of these transactions have an unpleasant odour. It's not corruption so much as the whiff of redundancy, expensive payments for unnecessary effort. There is strong evidence that a gullible public sector is paying lobbying companies through the nose for mundane information that is freely available.

Every day Parliament sits, MPs' speeches, questions to ministers, signatures on Parliamentary motions published that day are passed on, faxed and e-mailed through, packaged and sold. This is public information but it has come to make for private profit. Demand for it is rising, putting millions of taxpayers' pounds into the hands of those delivering the service — the communications consultants, a.k.a. the Parliamentary lobbyists. Perhaps the most striking disclosure in the Draper affair was how much public bodies give people such as him not for introductions or clandestine meetings with ministers but merely to tell them things about government. As the recently-appointed junior education minister Charles Clarke put it when he was in the lobbying business himself, "thousands of pounds are spent by firms getting information that they could easily get for themselves" (1). Two questions. Is such "intra-state" activity really necessary; aren't there easier ways for one bit of government to communicate with another? If it is necessary, do

public bodies get value for money from the consultants?

Lobbying/consultancy is worth £5 million a year — at a conservative estimate. No one knows how many public organisations use its services. Entries in the public register of the Association of Professional Political Consultants show at least 65 public bodies (2). They range from the Department for International Development and the BBC to Luton Borough Council and the Audit Commission. This is a gross underestimate. The association represents only a fraction of the total number of lobbying and public relations companies. Their work is not confined to monitoring Parliament. The NHS Executive is paying Connect Public Affairs to run events this year to celebrate the health service's 50th anniversary. The public affairs office declines to disclose how much this has cost because it is "commercially confidential".

The Millennium Commission is paying Citigate Westminster to monitor Parliament and to design brochures and compile a database of MPs. The last quarter's bill was £5,000. Mike O'Connor, its accounting officer, says, "we only use lobbying companies for specific tasks. Now Hansard is on the Internet we are investigating whether we can just take the material straight off the system. Much will depend on how accurately search words like 'Millennium' give us all the references." The British Council pays Westminster Strategy £1,500 a month to monitor Parliament, also activity affecting it by the Foreign Office, Department of Culture, Media and Sport and the Department for Education and Employment. Westminster Strategy is also paid to pass on copies of the comprehensive spending review and political gossip.

A spokesman for the British Council argues that it is more effective to employ a company to monitor Parliament than pay their own staff. "We have a public relations staff of only four people. It's much cheaper to have a company fillet Hansard

and send us a digest than employing our people to go through it all." Similar political monitoring is supplied by Rowland Public Affairs to the Commission for Racial Equality at £30,000 a year. English Heritage gets a similar service from Public Policy Unit for only £2,400.

Is all this an example of cost-effective contracting out? Or does it raise ticklish questions of political and administrative power, with government agencies getting involved in persuasion (lobbying) and cutting across the accepted, conventional channels that connect accountable ministers and the bodies they are nominally responsible for? One thing that happens is that "normal" processes are circumvented. Civil servants are bypassed. They no longer have the chance to apply what Christopher Foster and Francis Flowerden call their critical knowledge and acumen (3).

AS a public body the Millennium Commission is a strange hybrid, a public body at arm's length from government yet with senior politicians sitting on it. Who exactly might the commission want to nuzzle inside government? O'Connor has no doubt that these ambiguities, which apply to other bodies too, need investigation. "The time has come for the public sector to review them — possibly by organisations combining to use their services or otherwise this will grow out of control."

Thanks to Drapergate, we know one big spender on lobbying companies is the Audit Commission. According to a parliamentary answer last year it spent £311,000 on four different examples of the breed. But the commission is adamant it does not pay them to inveigle their way into the secret heart of government in order to alter policy (i.e. to lobby); it's other services that these lobbying companies supply. The bulk of its spending goes to Citigate Westminster to run its press office on a contract. It also

employs a former member of its own staff, David Taylor, a health expert, on its contract with GJM Public Affairs. Its presentations at party conferences are handled by Westminster Strategy, monitoring of Parliament and strategic advice is done by Lawson, Lucas and Mendelsohn, the lobbying company set up by three New Labour activists and former special advisers. It's hard to find out whether the commission has subjected these companies to the same kind of hard-nosed assessment of efficiency and effectiveness it applies to local authorities.

The BBC has three accounts with the lobbyists Shandwick — covering the Corporation, the Public Policy Unit and the BBC World Service — all to cover the monitoring of Parliament. Mike Gardner, a senior press officer for the BBC, defends spending licence payers' funds while declining to disclose the sums on the grounds of commercial confidentiality. "The BBC is a large organisation and needs to keep abreast of everything in Parliament — from committee reports to debates. You can be assured that we will have checked thoroughly and found it cheaper to have outsourced this

work to companies rather than to have employed our staff." The BBC, needless to say, employs hundreds of journalists to "monitor Parliament", apparently it can never know enough. An argument used to justify spending on these firms is "outsourcing". Tight Treasury controls on spending require them to seek the cheaper options. The Audit Commission is adamant however, that the one thing they do not want lobbying companies to do is lobby on their behalf. "We don't need a lobbying company to lobby the Government, we have enough people well

placed to do that ourselves", a spokesman insists. His view is echoed by everybody from the Arts Council to the British Waterways Board. Which is puzzling. If private firms are cheaper at everything else, why not also at lobbying?

IT is not just bodies appointed by central government that use lobbyists/consultants to communicate with central government. Lobbyists make a fair penny out of councils. The Labour-controlled Local Government Association says it employs Lawson, Lucas and Mendelsohn only to monitor Parliament and provide "strategy" but it is a different matter for individual local authorities. Two examples, used in promotional material by Connect public affairs to attract new clients, show how Luton Borough Council and the London Borough of Newham sought to use lobbyists to influence Government decisions. Luton wanted public money for its municipal airport. The Treasury were known not to be keen. Yet as the lobbying company says: "Connect advised the airport and the council on a major public affairs campaign aimed at getting Government support for the project to go ahead including access to an additional £5 million of public funds if necessary. Luton Borough Council now has access to the funds it needs."

Newham used lobbyists to press John Prescott to ensure that the Channel Tunnel link was not cancelled and, according to the lobbyists, they secured a change of mind. Working out whether any of this produces value for money is hard. What might be justified in terms of an individual public body looks expensive viewed from the perspective of the public sector as a whole. Where does "monitoring" end and "strategic advice" start? Most organisations in government should be capable of working out strategy for themselves. And surely Luton and Newham could organise their own campaigns. The areas

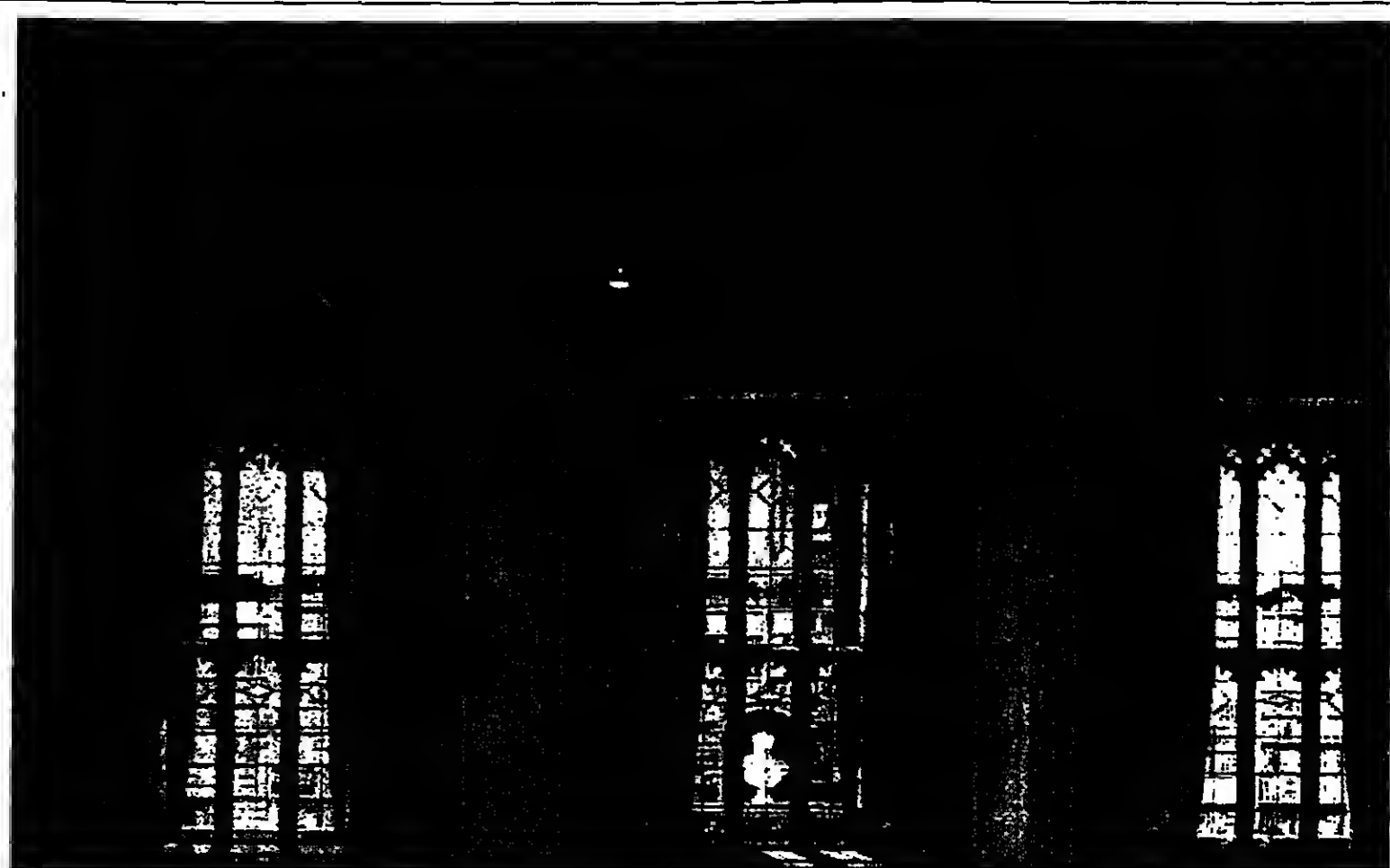
A bit rich: even though some dedicated public servants (like those at Westminster) burn the midnight oil, many others help lobbyists to get rich at the public expense by buying services and information that is freely available.

PHOTOGRAPH: FRANK BARON

have four Labour MPs between them. The councils should not need to pay to approach them. The strongest argument put forward by government agencies for using lobbyists is that the world of Whitehall is so complex that they have difficulty keeping up. The British Council says following the affairs of three different ministries — the FO, the DCMS and the DfEE — is complicated. It may have good links with the FO, its main sponsor, but not with the others. You could perhaps mount an argument saying that these companies help to "join up" government, aiding the process of executive coordination (4). The National Lottery boards for heritage, charities and sports say they use lobbyists because so many MPs raise issues about grants.

Again this is a weak argument — an on-the-ball body should be aware of the issues and capable of keeping up to date. What is being created may be a sinister kind of corporatism which "fixes" decisions with ministers and their advisers before Parliament or people have had a chance to make an input (5).

Sources: (1) Guardian September 30, 1993; (2) Register of Interests; Association of Professional Political Consultants; (3) The State under Stress, Open University Press, 1996; (4) The Hollow Crown edited by Patrick Weller, Harman Books, R.A.W. Rhodes, 1997; (5) Bill Jones and Denis Kavanagh "Pressure Groups" in Politics UK, Harvester 1994. Graphics: Finbar Sheehy; Glynn Walton; Steve Villars; David Hencke is our Westminster Correspondent.



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Diary

Simon Bowers

WHILE many are talking of late about the relaxation of another form of censorship, Hampshire police were busy this week ripping down promotional posters for Irvine Welsh's new novel, *Trainspotting*, in the window of a Southampton bookshop. The poster — an enlargement of the book's cover showing a policeman's helmet — is certainly less than flattering. "I've seen them," said Sergeant Peter Munn, "and I find them offensive." Under Michael Howard's 1994 Criminal Justice and Public Order Act, "threatening, abusive or insulting displays" (and this may well include a bookshop window display) which "intentionally cause harassment, alarm or distress" carry a maximum penalty of six months in prison and/or a £5,000 fine. Sergeant Munn stressed that Welsh's books were not seized, even though the cover illustration is identical to the poster, because they were not in public view. He also made it absolutely clear that the officer involved had experienced his distress as he passed by the offending bookshop window in his car. Contrary to rumours at Southampton nick, he was not in the process of buying a book.

FOLLOWING the recent National Farmers' Union silly season survey revealing that chickens lay more eggs when listening to Radio One's Zoe Ball, Radio 4's *Woman's Hour* show, not to be outdone, this morning broadcast the results of their Northamptonshire ostrich farm experiment. A recording of Today programme newsreader Charlotte Green caused a lot of flapping and clicking amongst the birds, reported Martha Kearney while, surprisingly, they remained unimpressed by Sue Lawley's dulcet gabbling. Kearney's own voice was said to have little effect on ostrich egg-laying rates but sent the male birds wild. Terence Wogan, however, provided the most extreme reaction at Hangland farm, prompting the birds to frantically peck the tape's stop button.

MORE unhelpful contributions arrive for our People-Friendly Guide to New Labour Lexicon. The current phrase under the microscope is "equality of opportunity", not equality of outcome, and I am sorry to say that the standard of suggested definitions from some readers has been poor. So poor in fact that we are considering restricting our competition to a select focus group of hand-picked young minds. We fail to see, for example, the relevance of your hackneyed Orwellian reference to animal rights, Susan Hornby of Southampton. Silvan Jones of Llanidloes is no better: "Lotterism for all — it could be ME!" he suggests. This Guide is for the People and by the People, Silvan. It is not about to be hijacked by you and your Socialist cronies. May you choke on your Champagne.

THOUGH some say, given our reputation, the Diary is unwelcome, do so, we cannot resist highlighting an ingeniously subtle satirical broadside against Labour traditionalists in Derek Draper's new Telegraph column. Provocatively referring to Scotland as "a small country in which most of us are little interested" (note the fashionably split infinitive), the man of said to have been "inside the mind of New Labour" goes on to insist that Scottish Labour must now rely on its new campaign manager, Londoner Matthew Taylor. He, Draper quips, "now spends three or four days a week in Kier (sic) Hardie House in Edinburgh." Oh, how we laughed, Derek. Keep them coming.

FORMER Tattler MP Neil Hamilton was posing for a new set of press photographs this week, reports a small item in the Press Gazette, when he was stung by a wasp. "Apparently a colony of wasps have built a nest near his front door," the paper reveals. "Naturally, Hamilton's attentive wife Christina was on hand to offer him her support and some soothing lotion." This is of no interest to anyone, PC, buck up your ideas.

THE TONACHESA



THE ON-MESSAGE SCREAM



Leave the dead alone. There are enough living victims who need help

Decca Aitkenhead



LIKE most people, I would prefer to have a good reputation. Some people would settle for a bad one, rather than none at all. But once you're dead, you don't really have any sort of reputation in legal terms. People can write or say what they like about you. There is much that is wrong with British law, but it is one of its greater points of good sense to rule that other people's opinions are unlikely to cause a corpse acute distress.

So the dead cannot be libelled — but they can, nonetheless, still have their day in court. The sister of Ruth Ellis this week announced her intention to clear her sister's name. Ellis was the last woman to be hanged in Britain, back in 1953, her sister was the last man to be hanged in Britain, back in 1953. The conviction was changed to manslaughter, and solicitors are taking her case to the Criminal Cases Review Commission.

The sister thus joins the list of relatives determined to right some wrong committed against their loved ones. Derek Bentley's niece is one, families of first world war soldiers shot for cowardice are others. They are congratulated in extensive and admiring coverage for their big hearts and their commitment to justice. They are frequently bracketed with those who fought to free the Guildford Four or Birmingham Six, and others. They are sometimes likened to the Stansfelds, the family of the man who was hanged for the same crime as the others. In media eyes, they are the same. They are all heroes.

In fact, these are very different campaigns, and should be treated accordingly. Most importantly, they differ in what they can achieve, who pays for them, and why they are being

fought. In the coming months, the media will pay much attention to Ellis's sister. One question it will probably never think to ask her, however, is why she is doing it.

Ruth Ellis is famous for being the last woman to be hanged, were she the last but two, say, we would probably never have heard of her, and her sister would probably not be campaigning to clear her name. She said this week, "I have lived for 43 years with fingers pointing at me, saying that's the sister of the murderer Ruth Ellis." In other words, this is not about Ruth Ellis at all, but the sensitivities of her sister.

One also has to wonder what stigma actually exists. It is hard to imagine there are many in Britain who still believe she should have been hanged, just as it is doubtful that the majority of the public are still pleased that young men in the trenches with shell shock were shot as cowards. More importantly, neither of these injustices is in much danger of being repeated; no campaign is needed to bring us to our senses today.

Ellis's sister only thought to press for a review of the case in May, following the quashing of the conviction of Mahood Maitland, a Somali sailor hanged in 1952. The Criminal Cases Review Commission has so far ruled against two executions, and is considering another three. The commission's cost of handling each case is about £25,000. If they refer it to the Appeal Court, the cost becomes far greater, and greater still if it is heard on legal aid. It is an expensive, time-consuming business to clear the name of someone dead for nearly half a century.

In a perfect world, of course all wrongful posthumous convictions should be overturned. But the list would be rather long. There have been limitless acts of injustice in the past, the royals could perhaps put in a spirited bid to have something done about Charles I. The current vogue for apology has attracted its critics — but official apologies are at least cheap, and take considerably less time to effect than an Appeal Court trial.

It is difficult not to entertain some doubts about the motives of those whose lives become consumed with the wrong done to their predecessors. Derek Bentley's niece was not even alive when he was executed, yet her campaign for her uncle has now made her something of a minor media celebrity. The crusading Lockerbie victims' families, or the father of Julie Ward, are impressive — and they are entitled to spend their time and money as they choose. They also, rightly, have their own way of dealing with their loss. However, when they curse the media for failing to broadcast a permanent account of their grief, one can't help wishing they weren't so dismayed by evidence that the world moves on.

INJUSTICES take place every day in the world, and it is the job of the media to report them. The Lockerbie families often say we cannot know what it was like to lose a child on that flight, and this is self-evidently true. But we can say that, had we died on that flight, we might not expect our parents to consume their next decade with a crusade in our memory — nor, more importantly, demand that everyone

also keep listening. There is no such thing as a league table for tragedy; no bereavement or injustice is more deserving than another. There is, however, a difference between past private tragedy and one with enduring implications. Stephen Lawrence, for example, may be dead, but the process of keeping his name alive is a painfully important attempt to address the racism which killed him and let his murderers go free. What happened to Stephen Lawrence matters every day.

What happened on Bloody Sunday in Derry also matters. The political future of Northern Ireland will be heavily affected by it, and the cost of the public inquiry will be money worth spent. The campaign by Holocaust survivors and their heirs to recover money held by Swiss banks was self-evidently right; it was not merely just, but much more importantly, it could actually make a difference. The same cannot truthfully be said of the campaign for Ruth Ellis.

The Criminal Cases Review Commission has more than 1,000 cases waiting to be examined. The vast majority are for men and women currently serving time in prison. Many of them will not meet the criteria laid down for the commission, but many of them will, and they deserve to be heard as soon as possible. The process is time-consuming and expensive, and every day an innocent person spends time in prison is an abhorrence. The thought that the process should be slowed down by posthumous appeals — and that an old case should demand more coverage than a contemporary miscarriage — is at best uncomfortable.

Full steam ahead

Robin Cook



THERE is a paradox at the heart of the European Union. It has achieved its fundamental aims, and it is losing the support of its people. We no longer worry about the issues that preoccupied its founders — renewed European war, food shortages, and hostility between France and Germany. The single market has transformed our economies. Enlargement will help recreate a common European home and a united continent. We have secured peace and prosperity, in no small part thanks to the European Union.

So why then is there less faith than ever in Europe? In 1991 almost three-quarters of Europeans expressed support for the Union. That proportion has fallen to less than half today. Europe's people feel it does not tackle the key issues that affect their lives. They feel alienated from its institutions. Despite everything it has achieved, Europe is unloved.

In some ways, the European Union is a victim of its own success. Having met its original aims, there is now a lack of sense of purpose. To restore proper understanding and support to the European project, we need to answer the key question — what should be the purpose and objectives of the European Union in the 21st century?

We opened this debate during the British presidency. Tony Blair ensured that Europe's leaders took time out to discuss it when they met in Cardiff in July. They agreed that they would hold a special meeting on the subject in Austria in late October. At that meeting and beyond Britain will be playing a full role — as a positive and committed European partner.

We want to work out a programme of reform that will lead Europe to a new constitutional settlement. That way it can start to win back the faith of its citizens. That way we can give Europe the clear role it needs, and the institutions it deserves.

Inside government, we are undertaking a review of the way Europe works. Outside, I have asked some of Britain's leading commentators on Europe to contribute. The debate must move beyond the sterile "nation-state vs federal state" debate of the past few years. Europe has now broken free of this spurious dichotomy. In the modern world the nation-state cannot work alone.

From trade to the environment we need to think in continental, not country terms. But there is little support left for those who believe this means Europe should unite in a single super-state.

A new, shared vision of what Europe should be is taking hold. A Europe which represents a third way between nation states acting alone and the federalist super-state. A Europe of independent nation states coming freely together to tackle challenges in common. A Europe which works effectively on cross-border issues, but which respects the culture, identity and democracy of its nations.

We have already identified some of the key problems that need to be addressed. We need to find a proper role in Europe for the national parliaments. If we want to make good Europe's democratic deficit, we need to connect Europe to the democratic institutions with which its citizens identify. This is not to downgrade the crucial role of the European Parliament. MEPs do important work, and we want to see them do more — for example, in bringing the commission to account on the way it spends its budget. But there is still a democratic gap, and tying national parliaments in to Europe will help plug it. One possible role for



We want a Europe which people can feel belongs to them and is accountable to them

New Zealanders have been landed with a government they did not vote for and do not like

Don't blame PR

David Lipsey

POLITICS is not over until the fat lady sings. The fat (or at least well covered) lady in this case is New Zealand's Prime Minister Jenny Shipley. At her national party conference this month, she hacked the effort of Margaret Robertson, a Karori housewife, to raise the 270,000 signatures she needs to force a referendum to cut the size of New Zealand's parliament. Now the betting is that she will make it by next Friday's deadline. The number of MPs had increased from 99 to 120 when New Zealand opted to change its electoral system before its 1996 general election.

New Zealand's new system has become the focus of those who oppose electoral change in Britain too. On their account, wicked electoral reformers persuaded New Zealanders to

ditch their (and our) traditional first-past-the-post system. In came German-style proportional representation where nearly half the MPs are chosen from party lists.

The result was to give Winston Peters's New Zealand First party a share of power between the two big parties, Labour and National. Mr Peters, who, in the election campaign had appeared to lean to Labour, did a dirty deal after it with National. New Zealanders have been landed with a government they did not vote for and do not like.

This is true, but it is miles from the whole truth. I was one of a delegation of three from the British government's independent commission on the voting system (the Jenkins Commission) who visited New Zealand in May. What follows reflects my purely personal conclusions, not necessarily those of the delegation as a whole, still

less of the whole commission. New Zealand's new electoral system cannot be blamed for Mr Peters's shenanigans. According to most of those we talked to, Mr Peters, a charismatic if wild politician, would probably have held the balance

Maoris are better represented. And there are more women

even under the old system. Nor are New Zealanders as hostile to the system as anti-reformers say. In our talks with everyone from big party leaders to ordinary voters, we did not find anyone who wanted to go back to first-past-the-post — not even the new system's fiercest critics. Some would like to change the system to make

it less strictly proportional, and Jenny Shipley, the Prime Minister, seems to sympathise. But even the redoubtable Ms Shipley has backed off from promising too much too soon; and Helen Clark, the Labour leader, is also cautious.

Why? Perhaps because New Zealanders are aware of a real advantage of the present system: that it has produced a parliament which is more representative. New Zealand's Maori minority is now represented in parliament in proportion to its numbers in the country. There are more women in parliament.

The new system would, its opponents said, produce weak and dithering coalition government in New Zealand, and they say the same about Britain. It has not happened there. Some New Zealand businessmen do attack the government for dithering, though New Zealand's business community would only be content with a government led by

the late Gough Whitaker. But the latest budget was radical, introducing an extraordinary degree of free trade to New Zealand. The National/New Zealand First government forced it through parliament in 24 hours.

If there is a disappointment for electoral reformers in the New Zealand case, it is that it has not changed politics enough. The parliament remains adversarial; the government continues to force legislation through with insufficient regard for the opposition; parliamentary committees, though valuable, lack clout. This may change; but meanwhile it is a salutary reminder that there is much more to the political culture of a country than just its voting system.

David Lipsey is a member of the Jenkins Commission, which has to come up with a single alternative to first-past-the-post to be put to a referendum

Robin Cook MP is the Foreign Secretary

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The RSC returns 92 per cent of its public funding in taxation and VAT

Adrian Noble, Letters

Cook's tour of Europe

Give the MEPs a break

THESE should be days in the sun for Robin Cook. While his two most senior colleagues are on holiday, he has the national spotlight all to himself — a fact he exploited to the full yesterday by unveiling some new thinking on Europe. That was a smart move, defying the critics who suggest he has been shut out of Labour's policy-making on Europe, edged aside by the Prime Minister and the Chancellor. Yesterday he cast himself as the big thinker on Europe — which, as Foreign Secretary, should come with the territory.

Unfortunately, the substance of his ideas is not quite as well thought-out as the politics. Via an interview in the New Statesman, Mr Cook makes some good points and floats some interesting thoughts. But they are not intellectually iron-clad, so that Mr Cook sounded slightly vulnerable when he submitted to the ritual ordeal of a John Humphrys grilling on the Today programme yesterday morning.

The Foreign Secretary rightly diagnoses the democratic deficit that separates European institutions from the people they are meant to represent. He says they seem remote and beyond the reach of citizens in the member states, including Britain. His solution is to involve those bodies which do have a hold on voters' allegiances — chiefly national parliaments — in the democratic work of Europe. He denies he is calling for a full-blooded European second chamber, but imagines "some role" for MPs in holding the vast Brussels bureaucracy to account.

Mr Cook is right on the problem, but is this the right solution? It's certainly true that the House of Commons does not — and probably cannot — keep close, detailed tabs on every clause and comma of European legislation. It's certainly the case that Westminster has little role in the decisions of the British Government in the council of ministers — the de facto executive of the European Union, which meets in secret and behind closed doors.

But surely the body that should hold this executive to account is the legislature — in this case, the European Parliament. As Menzies Campbell of the Liberal Democrats argued yesterday, the problem identified by Robin Cook could be solved by giving genuine powers of scrutiny to our MEPs. The fact that MEPs are already directly elected would wipe out the democratic deficit in an instant. In response, the Foreign Secretary would doubtless argue that the European Parliament lacks public esteem in Britain and across Europe, that it is national parliaments which are respected. He would be right, at the moment — but that would soon change if the MEPs were given political muscle as well as fat expense accounts. Voters would soon learn to take them seriously.

The rest of Mr Cook's thinking is interesting, but also susceptible to question. His call for Europe-wide standards, rather than the current patchwork of national laws, is a "harmony" which smacks too much of conformity. The trouble is that the Foreign Secretary may be a trifle too optimistic. His ideas are premised on the belief that the current Continental mood is moving away from tight integrationism and toward a looser union. He suggests Maastricht was a "high watermark" for federalism and that

the drive toward a European superstate has now slowed. But, as his interviewer in the New Statesman notes, such a view fails to account for the integrationist momentum that is bound to be unleashed by the euro.

Robin Cook is to be applauded for applying his constitutional reformer's brain to the largest issue in his brief. But he needs to apply his equally characteristic rigour to the task if his ideas are to fly — rather than provide mere holiday relief.

Swiss shame

It's a tarnished deal

THERE CAN never be a real happy outcome to the issue of "holocaust gold", even though a settlement has finally been reached with the Swiss banks. Many Jews paid an involuntary financial penalty on top of the huge sufferings inflicted upon them and their families. Many were unaware of what was owing to them after the war, and the national governments and banks involved made little or no attempt to inform them. Those who now benefit from the agreement in New York are "survivors" in a double sense — of the holocaust and of the passage of time. It is not a perfect agreement, but as the plaintiffs have sensibly decided, it is probably the best now achievable.

The charge of avarice, as Jews know only too well, is historically pernicious, but the Swiss may come close in this business to qualifying for it. It is less than three years since their authorities admitted that large sums lay in unclaimed accounts — while vastly understating the amount — and the Swiss National Bank acknowledged that it had earned millions of francs through gold transactions with the Nazis — though again minimising the amount. New information

was only released late last year after a wave of US state boycotts. In June the banks offered \$600 million to settle all claims: they have only been beaten up to \$1.25 billion by threats of further sanctions. Even so, one of the conditions for the settlement of the class action is the removal from the case of the Swiss National Bank — though its role in processing Nazi gold is not denied. This allows both the bank and the Swiss government to cling to a figleaf of non-involvement.

The urgent task now, as emphasised yesterday by Lord Janner of the Holocaust Educational Trust, is to ensure that the money reaches the victims and their families as swiftly as possible. The new fund will still take far too long to disburse, with a first tranche of \$250 million followed by annual instalments over a leisurely three years. The Swiss controversy has already spurred a wider reappraisal, leading to last December's London conference and a new humanitarian fund in which Britain is playing an important role. This makes up in a small degree for the casual way in which the issue of Nazi gold was handled after the war. Here too the need is for speed and generosity. As Professor Elie Wiesel has said, all the money in the Swiss banks will not bring a single Jewish child back to life. But it is both a symbol and an essential part of the tragic story.

Newsweek, glibly invent new usages (the magazine coins "importune" for ill-judged). Pedants fear grammatical Armageddon is always round the corner; every misused semi-colon brings it closer. If they had their way linguistic change would be permitted only at the behest of a committee of sages. Literary creativity let alone neologism-rich information technology would be stifled. Permissives are, lexicographically speaking, happy-clappers (to use one of the novelties listed in the New Oxford Dictionary of English: what permissives can never say is that such and such a usage — for example the application of happy-clappy outside its original Christian-religious context — is wrong. Yet the desire for order in language is strong, which is why Oxford University Press continues to sell updated dictionaries and why, despite the gloom-mongers, the vast majority of people accepts there is one spelling of commitment and siege — and a minority is prepared to write to our Reader's Editor noting any lapses.

The NODE is evidently built to appeal to OUP's large non-British English markets, so its novel words and phrases reflect the preoccupations of the United States and South Africa. Hence its non-barking "corn dog" and far from innocuous "sneeze machine". But this is a snapshot of a moving target: a good proportion of these new words are not going to make it into the next edition. Usage will sort out the merely fashionable from the functional, for there is something wonderfully democratic about language. Only if a word or phrase fits the bill does it get absorbed into the collective consciousness. Powerful corporations with big advertising budgets cannot force us to adopt them. Governments (eg the French) may try to stop citizens smuggling them in. But ultimately it's the people who decide the content of dictionaries.

Words count

Hopefully, it's popular usage

AT THE extremes are pedants and permissives. The former always say "different from" and after they decide to go boldly they don't let their participles dangle. The latter are often American and, like this week's

Letters to the Editor

Jobs a matter of degree

IF debts are forcing students into "job degrees" (Report, August 13), what were they doing before? Non-job degrees? With jobs up by 19 per cent in the business services sector, but down by 13 per cent in manufacturing and by 21 per cent in the chemical industry since 1990, students are choosing courses that will lead to employment, rather than unemployment. This has little to do with tuition fees. It is more to do with wanting to make a living. Marketing, computing and software engineering courses are not "less academic". They are just as rigorous and more appropriate to today's job market.

Diane Warwick, Chief executive, Committee of Vice-Chancellors and Principals, London.

JONATHAN Freedland's sentimental preening to the lovable Zionist state (Comment, August 12) would be more easily stomachable if Israel behaved in the same humane and compassionate manner when the victims of bombs are Palestinian. Jean Molloy, London.

PERHAPS as a red-blooded male I was meant to be attracted to the photograph of two scantily clad ladies enjoying the heat wave (All hot and bothered, August 11). Yet why, on the health page of all places, did you have to have them both smoking? R Cartwright, Wolverhampton.

WE note your article: It's getting hot (August 12). There is: the west coast of Ireland is still cold and wet. R and J Ashley-Latiff, Co Galway.

DON'T know about post-men's families (Letters, August 13), but it was once said the invention of the bicycle was the biggest advance in British social history as it meant that a man could be in bed in one parish and home in his own on the same night. Mike Shell, Farringdon, Oxon.

Please include a postal address, even on e-mail letters, and a daytime telephone number. We may edit letters.

Price of unemployment

LARRY Elliott's concerns about the Bank's interest rate stance are sensible (It's a respite not a reprieve, August 13) but his assertions are anything but. The commitment to price stability means there is no need to rewrite the Bank's remit to include growth — a deflationary slow-down would be considered by the Bank as much of a failure as a burst of inflation. Raising taxes on consumers to encourage growth can only make sense if the Bank is duped into lowering interest rates by a cunning Chancellor who knows his tax-hikes won't do the deflationary job, and talking down the pound is impossible if there is no policy action that can be taken to back up the rhetoric.

A pity because there are some solid points to be made. Does the Bank acknowledge that Britain's "non-inflationary" rate of currency depreciation has gone down as a result of supply-side reforms? And why is earnings growth of 6 per cent incompatible with an inflation target of 2.5 per cent in an economy growing at a trend rate of 2.5 per cent? Nick Martin-Cleak, London.

WITHIN the confines of the Monetary Policy Committee, unemployment may appear to be above its so-called

"natural" rate (inflation and jobs figures cheer ministers, August 13). Out here in the real economy there is nothing what we call "natural" about unemployment. Mass unemployment means poverty and misery for the millions of unemployed and their families. It also underpins the power of the workplace bullies and macho managers.

Perhaps if the seven members of the Monetary Policy Committee really believe that unemployment is below its "natural" rate they will do their bit to increase unemployment by seven. Maybe then Gordon Brown could set about massively reducing unemployment by creating jobs, which is what millions of trade unionists want from our party in government. Jon Rogers, Union Local Government Branch, Lambeth, London.

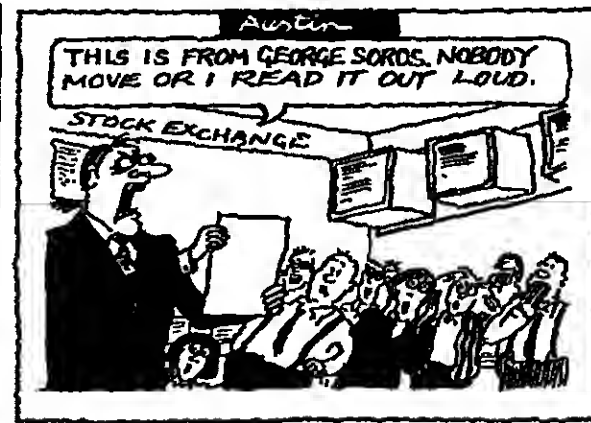
FOR fat-cat executives getting pay rises of 15 to 20 per cent, inflation is pleasantly negative. Those made redundant by their downsizing are suddenly presented with catastrophic inflation amounting to several hundred per cent in terms of purchasing power. Between these extremes there is a continuum of inflation rates for people in different circumstances. Where is the economic Einstein who

will provide the theoretical foundation which will account for these relative variations and may enable those managing the economy to avoid boom and bust? Peter Barker, Edinburgh.

THE idea that we need over a million unemployed people to avoid inflation is an unacceptable and inhumane fallacy. Funnily enough, it is only ever put forward by those in well-paid jobs. Dr B P Curwain, Christchurch, Dorset.

HURRAH for Stagecoach's Mike Kinn (New boss welcomed aboard with £250,000 bonus, August 13). My welcome to Stagecoach's Cumberland was training at £3.10 an hour — to be compensated for by working 18 months at reduced rates of £2.75 an hour (cash) or £4.16 an hour (conventional). Top rate after this deduction ceases is £4.99. Michael Wilson, Wighton, Cumbria.

HOW does BP's merger with Amoco, "creating competition" (BP in world's biggest merger, August 12)? More profit for shareholders certainly — and tough luck on the 6,000 who lose their jobs. D Swallow, Stansted, Essex.



Is it time to give Daisy a rest?

DAIRY farming is one of the most environmentally damaging practices (Health fears lead to national milk tests, August 11). Large amounts of fresh water are required, and the resulting slurry is a toxic threat to human and animal life. The tubercle bacillus is particularly resilient. So when released into the environment, it remains infectious for a long time. The transmission from cow to human and vice versa is inevitable. Many dairy cattle are taken out of herds daily when found to be infected, but it is likely that their milk has already entered the food chain. D M Arrowsmith, Hove, East Sussex.

THE Government's openness about the health threat posed by milk should be applauded, but there is still a distinct lack of information. The bacteria linked to Crohn's disease is waterborne and advice about the possibility of it entering the human food chain in ways other than through milk has not been given to the public. We should have all the known facts and be awarded the privilege of making informed decisions. Lindsey Currow, Truro, Cornwall.

NOW that another unwelcome "hidden extra" in milk has been identified, why not seek an alternative such as soya, rice, oat or pea milk? All are true milks of human kindness, being dairy-friendly and exceptionally low in artery-clogging saturated fat. Richard Farhall, General manager, The Vegan Society.

SCIENTISTS say the risk of infection from drinking a glass of pasteurised milk is 1 in 5 million. But someone who drinks a pint a day is drinking at least three glasses daily or more than 1,000 a year. So is the yearly risk of infection really one to 5,000? John Priestland, London.

German concepts of citizenship

GERMAN society should indeed look forward (The art of citizenship, August 12) — and the future is multicultural. Rather than indulging in grandiose artistic memorials of repentance, Chancellor Kohl could involve young Germans in a clear discussion of the benefits of a diverse community.

One-third of Frankfurt's population are *auslanders* (foreigners), many Turkish. While Kohl insists that *auslanders* should behave as "guests" (just who requires guests to perform unpaid and unwanted jobs?), those who have been born, educated, and paid taxes here are denied a stake in society. Germany's citizenship laws date from 1914 and are based on "blood". Even people descended from Germans settled

in Russia and eastern Europe in the 18th century are given citizenship rights over *auslanders* born and raised here. Although Kohl's pet project of monetary union will mean even greater numbers of workers moving and living as "foreigners" as economic forces reshape national boundaries within Europe, his government has refused to alter some of the most restrictive citizenship and naturalisation laws in the EU.

Helen Stewart, Frankfurt, Germany.

THE ability of South Africa's apartheid regime to deceive even Max du Preez (White poison, August 11) is shown when he says, "I have always argued against analogies between apartheid South Africa and Nazi Germany."

In fact many apartheid leaders were members of the pro-Nazi group, the Ossewabrandwag, during the war, and their post-war apartheid policy was directly copied from the Third Reich's 1935 Nuremberg Laws.

Both South Africa's Prohibition of Mixed Marriages Act (1949) and Hitler's Nuremberg Laws, Section 1, made interracial marriage a crime; as was interracial sex under the SA Immorality Act (1950), copied from Section 2 of the Nazi law. Job Reservation in South Africa mirrors Section 3 of the large and Sensitive Nuremberg Laws, and South Africa's stripping of millions of blacks of their citizenship (Act No 26, 1970) could hardly be more similar to Germany's Reich Citizenship Law of November 14, 1935, which did the same to Germany's Jews. Len Clarke, Uxbridge, Middlesex.

Drug therapy

AS A former head of the Department of Health branch responsible for the pharmaceutical price regulation scheme, I congratulate Sarah Boseley on the excellence of her report (Three firms flout NHS rules to raise prices of drugs, August 13).

It would be a great pity if the companies concerned were allowed to get away with it and, in so doing, jeopardise a scheme which has served the NHS and the pharmaceutical industry well.

Because the scheme is non-statutory, legal sanctions are not available to the department, but much can be achieved indirectly. If Syntometrine is cheaper elsewhere, the department could encourage an enterprising wholesaler to import supplies and hospitals to source the drug from it. Failing all else, the department could activate its reserve statutory powers to set maximum prices chargeable to the NHS. John Long, Farnborough, Hants.

Holy rewards

STUDENTS arriving at the University of Kent at Canterbury this October will move into upgraded accommodation as a direct result of the Lambeth Conference, *pace* your article (Is it so good to talk? August 11).

Thanks to the income generated by hosting this event, the university is refitting 30 self-catering student houses and redecorating a further 60 study bedrooms. The conference has left a practical legacy of improvements, including new lighting — not installed for the benefit of the bishops, although the conference trade helped pay for it. Moreover 350 Kent students are the richer from working as conference staff.

It is a delightful thought that the registry might have been transformed into "sacred space" for the past month, as your caption suggested; what your picture showed is the seats meeting room. Prof Robin Sibson, Vice-chancellor, University of Kent.

New menu for Europe is lacking key ingredients

ARE we getting over-excited by Robin Cook's summer musings (Cook curb oo Europe, August 13) about the future of Europe? After all, he knows perfectly well that no political initiatives from the UK will be given time by his partners unless, and until, Britain signs up to the euro.

Far from being a radical departure, Mr Cook's "proposals" for a second chamber of national MPs to second-guess the European Union institutions have been knocking around for years. The reason they never get beyond first sight is that Mr Cook's own council of foreign ministers calls the shots in EU policy-making, and no foreign minister worth his salary will give up the power to wield member states' rights.

British governments will not get anywhere in the debate about the EU's constitutional development if they manifest contempt for the European Commission and Parliament.

But, if this new statement is evidence, at long last, of some serious reflection inside Whitehall about the development of the political system of the European Union, it is welcome.

Andrew Duff, Director, Federal Trust, London.

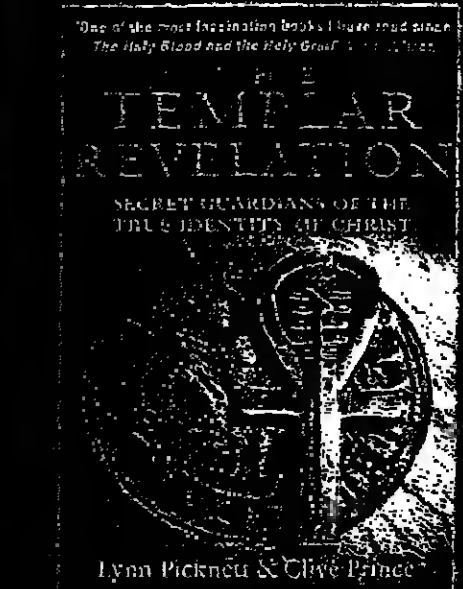
ROBIN Cook's motive is clear when he calls for the European Parliament to have a second chamber based on national parliaments. It would restore to Labour the advantage in numbers which proportional representation in next year's elections will deny them.

R R Harrison, Totton.

A SECOND chamber in Europe? But would someone please first tell me precisely what our present MEPs do?

R Gwyn Rowley, Sheffield.

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More than just the fringe on top

MICHAEL Billington asks what we get from our two national theatre companies (Oh no. Not Oklahoma! August 11). I am happy to provide a few examples of how the RSC benefits the nation.

Through an extended programme of touring, work by the RSC is accessible to a 45-minute drive to more than three-quarters of the population. We give about 2,000 performances a year in the UK. We put on up to 30 productions a year, including rarely performed Shakespeare plays such as Cymbeline and Timon of Athens, plays by Shakespeare's contemporaries, clas-

sic plays from around the world and new drama. By maintaining a system of repertory ensemble and providing extensive in-service training, we make a major contribution to the creative industries.

We provide thousands of young people with their first experience of drama. Our community and education team works with about 500 schools, colleges and universities each year.

And the RSC offers unparalleled value for money, returning 92 per cent of its public funding in taxation and VAT. Adrian Noble, Artistic Director, Royal Shakespeare Company.

OKLAHOMA may not be a classic according to Michael Billington, but in a couple of hundred years someone like Jonathan Miller will be telling us that vulgar Essex folk shouldn't be let in to see it. Don't forget opera and Shakespeare's plays were written as popular entertainment.

I can't believe anyone could think that presenting all of Shakespeare's plays in chronological order is an imaginative idea. Every director in the country wants to do that, indeed, it often seems that most of them have.

Anne Crocker, Shoreham, Kent.

CONSIDERING the economic realities of running state-subsidised theatres suf-

fering a shortage of funds, the National has been clever to mount a series of commercially successful and distinguished musicals, produced to a standard the West End could not emulate.

Many members of the public drawn to a National musical will probably return to see other productions by this marvellous company. Ken Burns, London.

I WAS struck when reading the Royal National Theatre's most recent brochure on how very Caucasian it was. Aren't British Afro-Caribbeans and Asians allowed a share in our so-called Nationals? Marion Williams, Leamington Spa, Warks.

Benny Waters

Reed all about it

PARIS has always provided a safe haven for African-American jazz musicians. For a period after the second world war it was possible to encounter great players performing in clubs and bars throughout the city. For years La Cigale, in Montmartre, hosted a resident swing band led by the US trumpeter Jacques Butler, and it was in this raffish boîte that many jazz fans first heard the music of saxophonist Benny Waters, who has died aged 86.

All of us were impressed by Benny's energy, his endless fund of ideas and his mastery of the high-toned, tenor saxophone style first popularised by Coleman Hawkins. It seemed odd that a performer of such quality was then hardly represented on record and seldom mentioned in the reference books.

Extended conversations revealed a musician whose career encompassed almost the whole history of jazz. Benny had worked with major bandleaders from the legendary cornetist King Oliver to Fletcher Henderson, from Claude Hopkins to Jimmie Lunceford, and was clearly a sophisticated player who deserved a wider audience. Initially, his contractual commitment to La Cigale restricted his opportunities for travel. But once free, Benny journeyed throughout Europe and became a familiar

figure on British bandstands, booked regularly by promoter David Bennett, recording often with local musicians.

Benny was born in Brighton, Maryland, and at six began to learn the piano before taking up the clarinet and joining his brother's band. Later, it was decided that the youngster should live in Philadelphia and he made his professional debut there as a saxophonist in 1918. Three years later, he entered the Boston Conservatory to study piano and harmony. At night he worked with Johnny Hodges, then still a teenager, in Tom Whaley's band, and also built up a substantial teaching list, his most famous pupil being the great Duke Ellington star Harry Carney, who always referred to him as "my old professor".

Benny moved on to Charlie Johnson's Paradise Orchestra, a New York ensemble packed with stars — among them the still-active Benny Carter — which alternated between Atlantic City and Small's Paradise Club in Harlem. Popular both with night-clubbers and white campus dancers, this orchestra was among the first black units to record for the prestigious RCA-Victor label. Many tracks were arranged by Benny, and Johnson contracted him to produce two charts per week. "This was quite a job for me when I liked those chicks and that whisky", he remem-

bered. During these late 1920s years Benny also recorded with Clarence Williams and King Oliver, the mentor to Louis Armstrong.

With the onset of the Depression, he started a period of band-to-band wandering, including three years with Henderson's orchestra. Typically self-critical, he remembered that "the best tenor I ever played was for the first two years with Fletcher Henderson and the worst was in the third year. By then, I'd started drinking." It is probable that this habit contributed to Benny's neglect by the recording companies then documenting the swing scene.

Meanwhile, he stayed busy as a big-band sideman — in itself a tribute to his musicianship — working with the blues-singing trumpeter Hot Lips Page and with Claude Hopkins for three years. In 1941, it was Hopkins who recommended Benny to Lunceford, then leading one of the top-rated black big bands.

BENNY was persuaded by his pianist wife, Lorraine, to join her in California in 1944. Like other black musicians sidelined by bebop, he moved into rhythm and blues, joining the hugely popular Solid Senders, headed by the drummer Roy Milton. When they made it to the Apollo in New York, Benny stood down. An old friend, trumpeter

Henry Goodwin, soon offered him a job with Jimmy Archey's Dixieland Band, giving him two weeks to learn the repertoire, find a soprano saxophone and sharpen up his clarinet playing.

Thus began an association which led ultimately to an extended European sojourn. The Archey sextet played Jimmy Ryan's 52nd Street club before coming to Europe in 1952. Always open to new cultures, Benny opted to join ex-patriate trumpeter Bill Coleman for a lengthy stint, basing himself in Paris, where he remained off-and-on for the next 40 years. He later hooked up with Butler, another ex-swing-band sideman, and built a strong local connection at La Cigale, keeping the association going for a decade or more. Fans thronged the place, drawn by Benny's powerful playing and the certainty that visiting jazzmen would sit in on sessions.

From the late 1960s Benny reinvented himself as a travelling soloist — he was a terrifying driver — setting off in his little car for Denmark, Germany and Italy, he once visited five countries in a year, playing endless one-nighters. A perfectionist, he recorded himself over and over again, listening for errors, grumbled about mouthpieces, and was never musically satisfied. Always upbeat and enthusiastic, he would keep in touch via post-

cards and was a wonderful house guest and staunch friend, happy to talk endlessly about his career and his wider cultural interests.

In the early 1990s, Benny returned to New York and, despite losing his sight, continued to play, confining himself to alto-saxophone. Age seemed irrelevant to him; he was financially secure and his bustling energy and creativity remained undimmed. Last year, he was in Japan with the Statesmen of Jazz, and he celebrated his 86th birthday in fine style in New York accompanied by pianist Sir Roland Hanna. His final club date was on June 24.

Benny outlived all his siblings; his two wives preceded him. It was his nephew who persuaded him at the end to forego his Christian Science principles and accept medical help for a respiratory condition. In another era, Benny Waters might have made his career in concert and orchestral music. It is our good luck that jazz offered him the only practical outlet for his talents. The jazz historian John Chilton said: "I'll always think of him with pleasure". Me, too.

Peter Vacher

Benjamin Waters, jazz saxophonist, clarinetist and arranger, born January 23, 1912; died August 11, 1998



Waters... on stage in Britain in the 1980s, after nearly a century in jazz

A Country Diary

COUNTY CORK: The distinctive flora of the south-west of Ireland is always the bedding. Masses of scarlet flowered tussock lined the lanes and were rivalled only by the orange of monardella. In the ways thought that if you have a week without rain here, you have beaten the law of averages. We did, with a local heatwave and five days of cloudless skies.

In the pull at Clonakilty I commented on the scarcity of customers. "They've all gone to the beach", replied the barmaid. We followed their example and took a family picnic to Inchydooley, the long sandy expanse which proved big enough to swallow a crowd of holidaymakers.

Letter

David Gribble writes: John Aitkenhead (Obituary, August 12) was the last of the great teachers from the 1930s who believed in the right of children to be respected as themselves. Luckily there are teachers who are now taking forward similar ideas: people like Rebecca and Maurice Wild at the Pestalozzi School in Ecuador, Kelko Okuchi in Tokyo Shure, Pat Edwards at Tamariki in New Zealand,

For a swim on the rising tide we went to Sand Cove, a steeply shelving tiny inlet to the south, where, at the end of the afternoon, the rising water had been warmed by the sun-baked shale of the strand.

At low tide we looked at the hillside of Courmacsherry Bay. Beneath the gaunt stone remains of the Franciscan priory at Timoteague curlews and other waders found rich pickings on the mudflats. Swans and cormorants were on the deeper water further out. And again, near Clonakilty, we found curlews within a few hundred yards of the town centre as low tide exposed the mudflats.

COLIN LUCKHURST

Alexander Tubelsky in the Moscow School for Self-Determination. Yakov Hecht at the Democratic School of Hadera in Israel, and Dan Greenberg, of Sudbury Valley School, Massachusetts. Even in educationally reactionary Britain Summerhill is still with us. Sands School has grown up in Devon, and the Gallo-way Small School has risen from the ashes of Kikuhanyit itself.

John Henrik Clarke

Bringing greatness out of Africa

JOHAN Henrik Clarke, who has died aged 83, was a revered but often controversial teacher and historian of Africa and black America. For Clarke, history's purpose was to inspire and mobilise black people: much of his writing and public speaking was directed toward glorifying the African and African-American heritage, rather offering than critical analysis of it.

In the eyes of scholars in the 1960s, many of his historical claims appeared tendentious or far-fetched. His message was enthusiastically received though by a wider, non-academic black audience. Clarke thus became, in later life, a kind of father-figure for the US black power and later Afrocentric movements.

He was born in Union Springs, Alabama, to a poverty-stricken, sharecropping family. As Clarke lamented, his father had dreamed all his life of owning land, but all he ever possessed was a tiny, unpaid cemetery plot in which he was buried. The family moved to Columbus, Georgia, when Clarke was four. Here, three experiences

were decisive for his development. One was a teacher who fostered his burning intellectual curiosity. A second was helping to teach younger children at the local Baptist Sunday school, an activity that stimulated his lifelong love of teaching, but during which he also noted that the class bibles depicted only white people. Clarke believed this reflected a racist conspiracy to deny the role of Africans in history — a conviction from which he never wavered.

During this period he also came upon Alain Locke's anthology *The New Negro* (1925), which suggested to him that there was indeed, lying hidden and suppressed, a glorious African heritage. Unconvinced that it would give the intellectual and moral basis for a better racial future.

Driven by these convictions and his desire to succeed as a writer, Clarke moved to Harlem in 1933. He plunged into political activity, joining the Communist Party, the invasion of Abyssinia (now Ethiopia) in 1935. Later, he could number several African independence leaders among his friends, alongside such di-

verse figures as Malcolm X and the British Africanist Basil Davidson.

The career of activism and writing was interrupted by four years of wartime military service, during which Clarke became a sergeant-major in the US Air Force. Back in Harlem after 1945, he wrote for numerous African-

For Clarke, bibles showing only white people reflected a racist conspiracy to deny the role of Africans in history

American magazines, served as an associate editor for both the *Harlem Quarterly* and *Freedomways*, and contributed regularly to the influential, Paris-based journal, *Presence Africaine*. He was also a co-founder of the Harlem Writers' Club, the African Heritage Studies Association, the Association for the Study

of Classical African Civilisations, and the Black Academy of Arts and Letters. He helped to draw up the charter of Malcolm X's Organisation of Afro-American Unity.

In 1968 Clarke was consultant for CBS's *Black Heritage*, one of the first TV series to take the black American past seriously. At Hunter College, New York, where he taught from 1968 to 1975, he pioneered African history and black studies courses. His role as a teacher was the source of his greatest influence and pride, exercised not only in formal education but in hundreds of church halls and community centres.

Clarke wrote or co-wrote 10 books, edited at least another 25, and was a prolific journalist. His main theme was the celebration of heroic figures from the black past, whether pre-colonial African kings or New World nationalist leaders like Marcus Garvey and Malcolm X. His approach was, in the main, popularising and polemical. He also published a volume of verse and numerous short stories, one of which, *The Boy Who Painted Christ Black*, was

widely translated and anthologised.

There could be no doubt, however, about his intellectual seriousness — reflected also in his remarkable personal library of African, whose riches he freely shared — or his dedication to the work. Despite a severe stroke in 1982, and then failing eyesight, Clarke continued to write and lecture until the end. And in his last years he was widely honoured by mainstream academia, even if his ideas were not intellectually embraced there.

A man whose childhood poverty had prevented him from completing secondary schooling finished life as a professor emeritus, with two honorary doctorates and with a major university library — at Cornell, where he had also been a distinguished visiting professor — named after him. He is survived by his second wife, Sybil, and by two children from a previous marriage.

Stephen Howe

John Henrik Clarke, writer and historian, born January 1, 1915; died July 16, 1998

Birthdays

Sarah Brightman, soprano, 37; Ronnie Campbell, Labour MP, 55; David Crosby, singer, 57; Jennifer d'Abbo, chairman, Moyse's Stevens Investments, 53; Vice-Admiral John Dunt, Chief of Fleet Support, 54; Buddy Greco, singer, 72; Dr Keith Hampson, former Conservative MP, 56; Steve Martin, actor and comedian, 53; Lord Mithson, solicitor, 83; Frederic Raphael, author, 67; Prof Mary Pickford, physiologist, 96; Joyce Rose, former chairman, Magistrates Association, 67; Tony Scannell, actor, 52; Gillian 'Ray' North, actress, 43; Rt Rev Hewlett Thompson, Bishop of Exeter, 66; Lord Whaddon, Liberal Democrat peer and collector of limericks, 71.

CORRECTIONS AND CLARIFICATIONS

WE failed to give the full title, publisher and price of the new Oxford dictionary (page 1, yesterday). It is the New Oxford Dictionary of English. OUP, £29.99.

ELISABETH Murdoch, who will be speaking at the Guardian Edinburgh International Festival, is the daughter, not the estranged wife, of Rupert Murdoch. We confused Ms Murdoch with her mother, Anna, (page 9 yesterday) and apologise to the family for this mistake, and for spelling Ms Murdoch's first name with a 'z' instead of an 's'.

JONATHAN AITKEN's libel case against the Guardian and Granada TV's *World in Action* programme collapsed in June, 1997: a news report (page 2 yesterday) referred to the collapse of the action "last June".

THE 1930s labour camp in County Durham (page 9, August 12) was Hamsterley camp, not Hamsterley, and it was located near Wotton-le-Wear, not Wotton-le-Wear. Both errors were in a caption accompanying a photograph of the barracks.

It is the policy of the Guardian to correct errors as soon as possible. Please quote date and page number. Readers may contact the office of the Readers' Editor by telephoning 0171 239 5659 between 11am and 5pm, Monday to Friday. Letters to Readers' Editor, The Guardian, 119, Farringdon Road, London EC1R 3ER. Fax: 0171 239 5697. E-mail: reader@guardian.co.uk

Death Notices

MELBA, Edna, died peacefully at home in Hampton Hill on August 7th, leaving husband Don and daughters Linda and Irene. Funeral on August 18th at 11.30am at St. Martin's Church, Hampton Hill. Burial in St. Martin's Churchyard, Hampton Hill. E-mail: melba@guardian.co.uk

METCALFE, Pearl, passed away suddenly but peacefully on Monday 10th August, 1998. Wife of Hugh, mum to Catherine, Andrew and Ian and Granny to Jamie. Funeral and cremation services at Westbury-on-Trym Parish Church, Bristol, 11.30 am Tuesday 18th August.

In Memoriam

DOUGLAS, Dr. Wendy, 14th August, 1998. Psychologist, humanitarian, much loved. Much missed. "We miss you very much."

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Peter Bond

At war with the demon drink

FOR the last decade of his eventful life, Peter Bond, who has died aged 68, was a mover in getting the charity Rehabilitation for Addictive Prisoners Trust (RAPT) established in British prisons.

He was born in Primrose Hill, north London, the second surviving child of a chimney sweep and always remained fiercely proud of his working-class origins. After wartime evacuation, he won a scholarship to Hemel Hempstead grammar school and then joined the Navy, where he spent seven unhappy years. After demob, he took a number of sales jobs, eventually becoming a garage owner. But by this time his drinking had taken hold, his marriage fell apart and he succumbed to full-blown alcoholism with all the chaos and despair this brings.

On November 5, 1981 Peter attended his first Alcoholics Anonymous (AA) meeting. It marked the end of his drinking and he became a firm promoter of the organisation. In 1982 he became a volunteer with the Hertfordshire Probation Service working with alcoholics. He was a founder member of two Hertfordshire alcohol and drug agencies and set up the Hertfordshire Alcohol Problems Advisory Service (Hapas). During this time he qualified as a counsellor, and from the mid 1980s made numerous attempts to start services for persistent offenders with drug and alcohol problems.

It was after Peter had returned from working in an Arkansas prison, which treated the chemically dependent, that we first met. He was determined to introduce the treatment methods of his

mentor, Joe McQuaney, into this country and brought his ideas to me at an outpatient clinic for alcoholics, street addicts and ex-offenders, which I ran in north London.

He canvassed MPs, the Home Secretary, the Prison Service and even the then Prime Minister, Margaret Thatcher. But few were willing to admit that there was a drug and alcohol problem in British prisons. In 1990 we joined forces. The Government's denial of the links between addiction and crime and the widespread drug culture in British prisons was clearly at odds with the facts.

In setting up the charity, I was put in touch with Derek Aram, the enlightened governor of HMP Downview in Sutton, Surrey, a newly-opened category-C prison. It was there that in 1992 Peter, Derek, and later his successor, David Lancaster, established the first stand-alone, intensive alcohol and drug treatment facility in a British jail. As no government funding was available, it was financed by donations.

TODAY RAPT runs intensive substance abuse treatment programmes in five prisons, employs 30 therapists and has more than 100 prisoners in full-time treatment, with another 400 on waiting lists and more than 500 in aftercare services. Two-thirds of RAPT's funding comes from government sources. In 1996 Peter was awarded the Guardian Jerwood Award for his services to prisoners.

Peter's role in making RAPT work inside prisons was crucial. Not only did his

own recovery from alcoholism, his feisty single-mindedness and compassion in helping others with alcohol problems make him uniquely qualified to pioneer treatment programmes in prison, but he was also a forceful advocate for RAPT's work. Peter could convince the most sceptical, Paris-based journalist, client of the worth of his programmes; he even succeeded in browbeating the then Home Secretary, Michael Howard, into admitting that RAPT had done more to promote rehabilitation in British jails than any other initiative in recent memory.

Peter struggled throughout the last 15 years of his life with bad health. Arthritis meant that he always needed a stick, even after two hip operations. Two years ago he was diagnosed as suffering from throat cancer. Radiation treatment, chemotherapy and, finally, major throat surgery led to the loss of his speech. But with the aid of a portable type-to-speech machine, he continued to take an active role in therapy sessions and one-to-one counselling in prisons all over the London area.

Last October he attended a reunion of graduates of the RAPT programme at Downview. He could not speak, but a room full of some 200 prisoners, many of whom had

been released and had returned for a day of celebration, heard his voice on a tape he had recorded. Three weeks before he died he attended the opening of a second treatment unit at Downview. Weak and in obvious distress, but clearly overjoyed at being there, Peter was an inspiration to all.

He is survived by his daughter, Linda, who nursed him through the last difficult months of his final illness.

Jonathan Wallace

Peter Bond, alcohol and drugs campaigner, born October 21, 1929; died August 10, 1998

Peter Bond... receiving the 1995 Guardian Jerwood Award from the Duchess of Kent

Insurers and galleries under scrutiny



British museums and galleries, such as the Victoria & Albert, are looking at ways to trace ownership of their art

PHOTOGRAPH BY FRANK MARTIN

Hunt for Nazi loot moves on

Jill Treasor

HOLOCAUST survivors and relatives will increase pressure on insurance companies and art collectors to return assets lost and stolen during the second world war after their £1.25 billion (£771 million) victory on Wednesday against the main Swiss banks.

Claims against European insurance companies could dwarf the settlement with the banks while art experts believe the value of art looted by the Nazis could easily top \$1 billion.

Jewish groups, led by the World Jewish Congress in New York, reached agreement with Credit Suisse and UBS, the two biggest banks, after years of acrimonious talks over money left in Swiss accounts after the war.

Under the terms, the Jewish groups renounced all claims against the Swiss state and companies. The insurers were excluded from the agreement because they are involved, with other European insurance companies, in separate legal actions by relatives.

The claims arise because insurers failed to pay out on

life policies after the war by, for instance, demanding death certificates which were impossible to obtain for concentration camp victims.

Few insurers are prepared to calculate the potential claims, but Israeli officials believe that up to \$11 billion in life policies and Jewish community assets were entrusted to them during the war.

The main insurers involved — Zurich of Switzerland, Generali of Austria, Allianz of Germany and France's Axa — are working with Jewish groups and US insurance regulators on how to discuss payment to relatives.

The insurers are working on tracing potential claimants. Zurich received 100 responses to recent advertising

in the US while Axa has auditors searching its files for unpaid policies.

Zurich believes its rivals are more exposed but a spokeswoman said the company expected to pay into a humanitarian fund and would pay policies found to be "open".

According to Jon Sacker, spokesman for the Board of

Deputies of British Jews, the claims against insurers and art galleries are the next step for Jewish groups seeking to reclaim assets due to them.

He expects these issues to be the main topics at a conference to be hosted by the US government in November to build upon agreements reached over Nazi gold in London last December.

Tracing claimants is part of the battle and the British Government has named 25,000 owners of bank accounts seized during the war on the Internet, although this makes no distinction between Germans, citizens of Nazi puppet regimes or Nazi-occupied countries, and Jews.

The Government also faces a claim from an Hungarian Jew for the seizure of 200 paintings as "enemy property" which were later sold. British museums and galleries are looking at ways to trace the ownership of art in their collections. "We don't have any evidence of there being any (looted art) in the galleries but it is an area we are studying," said Janice Lopatkin, director of the Holocaust Education Trust.

The ownership of looted art is most pressing for galleries in France, the US and even the Vatican. J&H Marsh & McLennan, insurance brokers, yesterday said it could now insure museums for potential losses. Matthew Maitland, vice president, estimated that as much as \$1 billion could be at stake. Each of the policies is limited to \$50 million and will be underwritten at Lloyd's of London.

Mark Atkinson
Economics Correspondent

SMOULDERING discontent among left-wing backbenchers about the Government's economic policies burst into the open last night when Tony Benn accused the Chancellor of having "no industrial policy" and aiming to protect the rich.

In a letter to Gordon Brown, Mr Benn, a former industry secretary in Harold Wilson's government in the 1970s, said manufacturing industry had been weakened by high interest rates which, he said, were the Chancellor's "personal responsibility".

"The huge pay rises awarded to top businessmen, who at the same time are demanding wage restraint, and the fact that you have ruled out tax increases on the high-earners to claw some of that money back, suggest that the protection of the rich is one of the Government's main objectives," Mr Benn wrote.

His outspoken attack came in the wake of the Bank of England's Inflation Report which on Wednesday said that higher unemployment was needed to ensure the Government hit its 2.5 per cent inflation target.

Mr Benn said the Bank's report was a reaffirmation of the former Tory Chancellor Norman Lamont's "unacceptable" view that "unemployment is a price worth paying".

He went on: "The present Government appears to have no industrial policy and is

content to see more and more manufactured goods bought from abroad where wages are lower, without any thought for the future of this country and its industrial base."

Mr Benn said high interest rates had driven sterling to a level which was "detrimental" to Britain's export trade.

"Higher interest rates introduced by the Bank of England are also weakening our manufacturing industry but remain your personal responsibility since it was your decision to hand power to the Bank, presumably to prepare Britain for the single currency at whatever cost to jobs," he added.

While Mr Benn's views are unsurprising, they appear to represent the first rumblings of a backbench backlash against mounting fears of a recession.

Education and Employment Secretary David Blunkett has admitted that the economy is on a "knife edge".

Although economy-wide unemployment is continuing to fall, accumulating jobs losses in manufacturing suggest the labour market could be at a turning point.

Manufacturing only represents 25 per cent of national output but there is concern that the deepening crisis in industry, caused by the strong pound and the Asian economic crisis, may drag the rest of the economy down with it.

Presenting the Bank's report on Wednesday, deputy governor Mervyn King estimated the chances of a full-blown recession were one in eight.

DIY income tax nets extra £2bn

By Mark Atkinson
and Rupert Jones

THE Chancellor, Gordon Brown, is sitting on an extra £2 billion a year in tax revenue thanks to the self-assessment regime.

Last year it reaped £1.1 billion, compared to £9 billion, the increase, assumed to be permanent, is thought to reflect taxpayers owning up to more taxable income.

The new system has also brought forward the timing of some tax payments. For example, in the first two months of this calendar year, total income tax receipts were £22.4 billion compared with £15.2 billion in the same period last year, a difference of just over £7 billion.

Under self-assessment — which covers 9 million

people, mainly self-employed and higher earners — anyone who did not complete their tax forms by January 31 faced an automatic fine of up to £100. "It's purely a timing effect," said a Treasury spokesman. "Nobody is paying more tax than they should."

The pick-up in tax receipts has been discussed by the Bank of England's monetary policy committee. More tax squeezed out of consumers ought to take upward pressure off inflation and interest rates.

However, a leading firm of accountants said the tax revenue figures partly reflect a period of strong economic growth. The danger is that the Treasury will think it is going to reap these kinds of sums every year, said John Battersby at KPMG. "If the economy slows down then in a couple of years' time the figures will go down."

Claimant count Four biggest companies facing pay-outs

GENERALI
Assicurazioni Generali

ASSICURAZIONI Generali was founded more than 150 years ago by Jewish businessmen in what was then the Austro-Hungarian empire. It is thought to have insured up to 80 per cent of Eastern Europe's Jews before the second world war and now owns the largest insurance company in Israel. Generali is Italy's largest insurance company and offers life and non-life insurance and reinsurance in 40 countries through 101 insurance companies.

AXA

AXA-UNAP, formerly known as AXA, is its current form is now Europe's second largest insurance company after merging with its rival UNAP. Based in Paris, AXA can trace its roots to 1817 to a regional fire insurance company in Rouen. But the company was not known as AXA until the early 1960s when it took the name, on the basis that it is pronounced the same in most languages.

ZURICH

THE insurer has been in existence for 125 years and while now one of Europe's biggest insurance companies, during the second world war it says its share of the market was a mere 0.2 per cent. It is now merging with the financial services arm of BAT Industries, which includes Eagle Star, to create Zurich Financial Services.

Allianz

FOUNDED by Carl Thiele in Germany in 1890, Allianz insured Auschwitz, Dachau and other concentration camps during the second world war and did not have to worry about the risks involved because the camps were guarded by SS troops. Now Europe's biggest insurance company, it owns a number of insurance companies around the world, including Cornhill in the UK.

Viewers 'dazed by digital TV'

Chris Barrie, Media
Business Correspondent

THE television industry faces up to 18 months of confusion as consumers grapple with the complexities of multi-channel services from rival broadcasters, an executive forecast yesterday.

Adam Singer, chairman of pay-TV company Flextech, said viewers might be confused by the marketing campaigns planned by television companies keen to sign up subscribers.

Recalling the format wars of Betamax vs VHS video systems and BSB vs Sky satellite

equipment, he said that the industry would have to overcome a "folk memory" that could delay purchases of digital TV equipment.

He qualified his remarks by adding that Flextech was well placed for digital TV, which would be helped by the way multi-channel services had won respectability in the last three years and were now received in 6 million homes.

His remarks came as Flextech turned in half-year pre-tax profits of £1.7 million, a turnaround from last year's loss of £5 million, on turnover 44 per cent higher at \$84.1 million. The company supplies thematic channels to broad-

casters such as BSkyB and its terrestrial rival, Ondigital. It also runs a joint venture with the BBC, UKTU, using the corporation's archives.

UKTV lost \$5.5 million, and is not due to break even "for a year or two", Mr Singer said. Playboy TV, 51 per cent owned by Flextech with the remainder held by BSkyB and Playboy, lost \$1.6 million. Both sets of losses were to plan, although there have been suggestions that Flextech may quit Playboy TV.

Turnover rose on the back of a 27 per cent increase in subscription revenue and a 44 per cent rise in advertising revenue, allowing for the fact

that the channel Living did not make a full half-year contribution in 1997.

Mr Singer stressed that losses on channels were normal in early years but profits would follow as subscriber numbers rose in the wake of digital TV.

He said UKTV would launch its music channel, UK Play, on October 1 and other thematic channels would be added once digital TV had been on air for a year. Its interactive operation is to supply BT with video on demand and an electronic programme guide for its trials in London of technology to broadcast entertainment over telephone lines.

News in brief

Business Post crisis for Kane

MANAGEMENT crisis at the Business Post express parcels and mail delivery company has wiped \$99 million off the paper fortune of Peter Kane, who is back at the firm.

Mr Kane founded the business in 1971 when it was a motorcycle messenger firm in north London. He floated it in 1988 and went sailing in the Caribbean and Mediterranean. Shares fell 8.37 per cent to 78p yesterday — erasing all gains this year. — *Tony May*

Potters see shares slip

PORTMEIRION Potteries' battered shares were hit again yesterday after the tableware company unveiled a drop in half-year profits from £2.7 million to £1 million and said profits for the full year would "inevitably" be significantly lower than for 1997.

Shares fell 6 per cent to 190p, wiping 21.3 million off its market value. The group is now worth £21 million, against \$51 million a year ago.

Rescue for Fosters

FOSTERS Trading Company, the casual clothing chain which collapsed four months ago, emerged from administration yesterday after creditors approved a rescue plan.

Only 40 of the original 173 stores have survived. They will employ 600 of the original 1,700 staff.

Creditors will receive about 10p in the pound. The directors, who have now resumed control, aim to repay all outstanding debts.

Titanic income helps buoyant News Corp

Chris Barrie

JAMES CAMERON'S film *Titanic*, the British-made hit *The Full Monty*, and the video release of the *Star Wars* trilogy helped boost Rupert Murdoch's News Corp to record levels of profitability.

But its British newspapers — the *Times*, *Sunday Times*, *Sun* and *News of the World* — turned in flat earnings. Improved advertising income was offset by higher costs.

News Corp reported operating revenues 15 per cent higher at \$12.8 billion, and post-tax profits before exceptional items of \$1.2 billion, a 21 per cent increase.

The results were powered by a turnaround at the Fox film entertainment division, beset by box office

flops the year before. Its operating profit of \$254 million was 140 per cent up on 1997's performance.

News Corp said this year would also be strong, due to cinema release of *The X-Files* and *Dr Doolittle*, while *Titanic* moves into video.

US television stations turned in higher operating profit and market share. Fox Broadcasting, the network business, forged ahead of ABC and CBS in advertising to young adults, bolstered by shows such as *The Simpsons*, *King of the Hill* and *Ally McBeal*.

The widely-publicised cull of books at publisher HarperCollins was said to have raised profits and cut returns of unsold books. Although magazines and inserts raised profits, TV Guide saw profits fall on the back of lower circulation and higher costs.

Electricity supply competition opens

Celia Weston
Industrial Correspondent

THE much-delayed launch of competition to supply millions of domestic electricity consumers will take place on September 14, the industry regulator announced yesterday.

The news coincided with confirmation by Ofgas that British Gas has lost only 15 per cent of its 19 million customers in the year since competition to supply domestic users began.

An initial 750,000 electricity users in four areas — about 10 per cent of domestic and small business customers — will be able to switch supplier, regulator Stephen Littlechild said.

Eastern, Manweb, Scottish Power and Yorkshire become the first four regional companies to face competition in

their areas. They will also be allowed to sell to customers in other regions as part of the initial move towards establishing choice for all 26 million consumers.

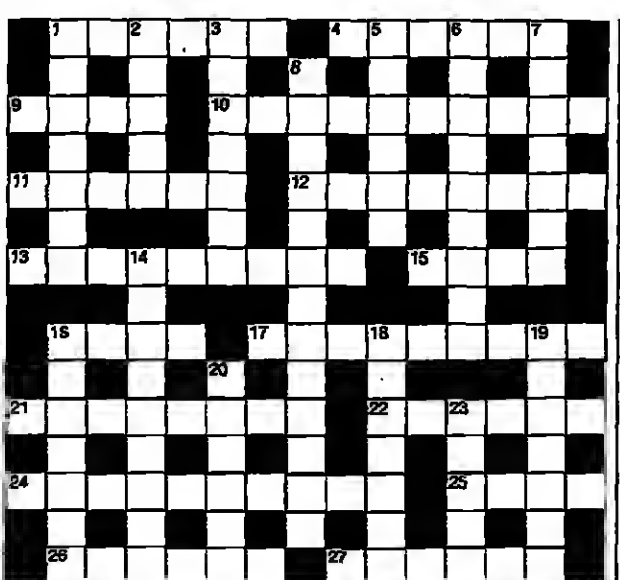
The original April start date for electricity competition was postponed for six months when it became apparent that the companies would not be able to install and test the complex information technology systems needed to track customers and generate bills in time.

Competition for all consumers is not expected until June next year.

But consumer groups are concerned that competition should deliver benefits to all and electricity customers said that the shortcomings of gas competition — where only 3 million households have switched supplier — should not be repeated for electricity.

Guardian Crossword No 21,353

Set by Mercury

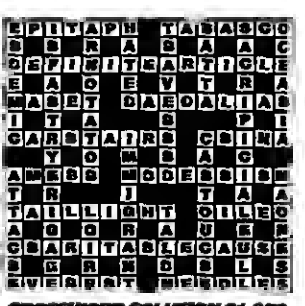


Across

- 1 Having engineer in car is compulsory (6)
- 4 Climbed into toboggan with accountant (6)
- 9 Dirty student leaves, so it (4)
- 10 Sorry article got police involved (10)
- 11 A proverb that's abandoned (6)
- 12 Enter age for young person (6)
- 13 Unmarried men need printout after enrolling (6)
- 15 Spoils a Roman god (4)
- 16 Manage to find work in church (4)
- 17 Copper ring in nice lamp shattered (6)
- 21 Looks look better with this removed (6)
- 22 Man tripped going to town centre (6)

Down

- 1 One needs rubber suit for injured FBI agent (7)
- 2 Something that's made to measure (6)
- 3 It's often shouldered by a man in uniform (7)
- 5 Little room shut on time (6)
- 6 Doesn't drop off — a wise arrangement if surrounded by water! (4,5)
- 7 Car parking areas outside back door of clubs (7)
- 8 Where your mail will be placed? (7,6)



CROSSWORD SOLUTION 21,352

- 14 Dump mixture nice cooked without sauce (6)
- 16 Presided over African republic, concealing anger (7)
- 18 Unbeliever running in field (7)
- 19 Worry if dragon is expected in! (7)
- 20 About to become tense (6)
- 22 The lowest number on Green Street (5)

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A B P R T Y

Chancellor feels blast from past, page 15

Tomorrow: Is it a recession? Ask a cabbie

Executive Financial Editor: Ben Clissitt
Financial Editor: Alex Brummer
Telephone: 0171-239-9610
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FinanceGuardian

IMF's rescue package fails to hold back inexorable slide of the rouble

Panic brings Moscow to halt

James Meek in Moscow

RAW fear was tangible in Moscow yesterday as panic rose up and submerged the International Monetary Fund's multi-billion dollar wall of money that was designed to shore up confidence in Russia. As far as the markets were concerned, that \$22.6 billion bundle of loans and the Russian government's painfully worked-out strategy to slash spending and raise revenue might never have been announced.

Yesterday's plunge in share prices saw trading halted for the second time in a week — after the first nosedive on Tuesday, one newspaper pronounced the Moscow stock market "clinically dead" and intense speculation that rouble devaluation was imminent. An even more horrifying d-word for the international markets — "default" — surfaced in the media.

Currency traders failed to start as usual, with bankers fearful and uncertain after the central bank announced new restrictions on commercial banks' freedom to buy hard currency.

At noon, after some Russian blue chips had lost a quarter of their value, television news bulletin spoke of a "Black Thursday" on the financial markets. The main stock index eventually closed down 6.5 per cent.

Prime minister Sergei Kiriyenko dismissed the panic as purely psychological. Indeed, some of the alarm was provoked by the call by financier George Soros for rouble devaluation, some by global market wobbles, and some by exotic rouble rumours which had begun in Moscow in the first place bouncing back from America.

The small Moscow stock exchange has little direct relationship with Russia's freemarket post-Soviet economy, and the Russian currency itself shifted only slightly downwards against the dollar, as it has done since the crisis began in autumn, creating the air of stability which baffles visitors.



Change and decay... On the streets of Moscow yesterday the rouble was still very much in business

PHOTOGRAPH BY IAN SEKRETARY

But the mood on the exchange — which has fallen by around 70 per cent in the past eight months — is an indicator of wider business fear that the IMF package and the Kiriyenko reforms are too little, too late to save an economy which was already in deep systemic crisis before the Asia-promoted fall in commodity prices knocked away

the props which had been keeping it from collapse. All week, there have been warning signs beyond the stock market crisis that things are going wrong. Yields on government bonds, supposed to have been brought down sharply by the reassurance of the IMF package, shot up to unprecedented levels yesterday: one bond

was quoted at 336 per cent, more than 80 times the rate of inflation. The Siberian region of Yakutia, once considered safely rich in gold and diamonds, announced it could not meet redemption payments on bonds it had issued.

The same day finance minister Mikhail Zadornov announced that \$1 billion of IMF

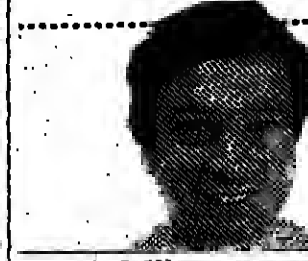
money — the very cash which was supposed to be held in Central Bank reserves to reassure investors that there was nothing to worry about — would be used to pay redeeming maturities. Russia's short term government debt is still considerably larger than its reserves.

The prevailing view in Russia is that devaluation, once

begun, would spiral out of control, economically and politically. The price of imported food and consumer goods on which Russians have come to depend would be decimated, and the sole positive achievements of the Boris Yeltsin years — a stable currency and low inflation — would be blown away.

Notebook

Rescuing Russia from the rubble



Mark Milner

DOES Russia need to devalue? Will it do so? Should anyone else care? The answers are probably not, probably, and yes.

That might look odd. If Russia does not need to devalue, why should it do so? The case against devaluation is straightforward. A cheaper rouble will not help the government collect taxes, it will not solve the crunch facing the banking system, it will do little for industry's investment and production planning. Nor will it do anything to offset the impact of the fall in the world oil price.

Unfortunately, such thinking is unlikely to inform investor intentions. Funds are being pulled out, the central bank is bleeding reserves, the government is having trouble even in finding sufficient takers for its paper to roll over maturing debt, let alone raise new money.

A number of Russian banks saw their credit ratings downgraded yesterday, reflecting the precipitous deterioration of market conditions in Russia, owing to a severe confidence crisis, and liquidity drying up. One bank even saw its credit rating revised to "not meaningful".

The secondary market in short-term government bonds was reported to have all but disappeared, except for the shortest dates, making the market value of the banks' government bond portfolios impossible to discern.

So despite their protestations to the contrary — and less-than-adroit handling of the latest slump in market sentiment yesterday — the Russian authorities may be forced to follow the advice of George Soros and devalue.

The snag is that Mr Soros envisaged a managed devaluation of 15 to 25 per cent and the introduction of a currency board to look after the rouble thereafter. Devaluations are seldom easily managed. Just look at what happened to sterling once Mr Soros himself, and others, had forced it out of the European exchange rate mechanism — it crashed 50 pence to below DM2.20 before beginning a slow recovery.

Devaluations are usually a messy business and a rouble devaluation might well be messier than most. There may also be a problem persuading at least some in the Group of Seven countries — not least the US Congress — that, after the efforts of the International Monetary Fund, Russia should get yet more money from the West. Yet Mr Soros reckons it could need another \$15 billion to add to the IMF's \$17 billion.

So why should it matter to anyone outside Russia? There are two reasons, one internal, one external. Take the latter.

Virgin Express shares plunge

David Gow

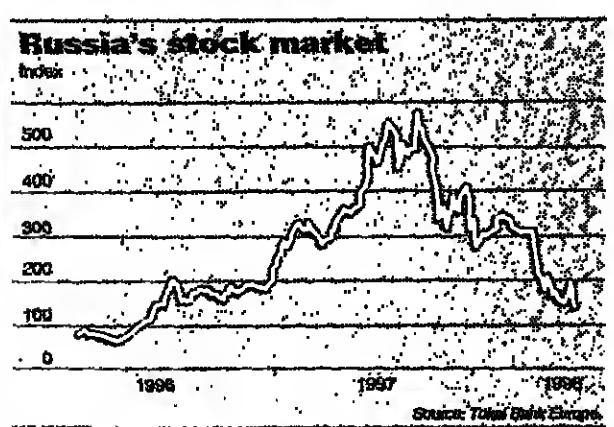
SHARES in Virgin Express, the low-cost airline majority-owned by Richard Branson, fell to a record low yesterday after it issued a profits warning. The airline, floated last year in Brussels and on the Nasdaq exchange in New York and based in the Belgian capital, also said it was hoping to move to Ireland in order to cut costs.

This latest setback for Mr Branson came as the struggling airline disclosed that profits had fallen 12.5 per cent in the second quarter to Bfr147 million (£24.5 million) compared with Bfr168 million a year ago. Shares fell in New York to \$9. Last November's flotation price was \$15.

Virgin Express blamed its declining earnings potential on the costs of replacing pilots who had defected to the Belgian national airline, Sabena. "The problems of recruiting and training flight personnel have proved to be longer-lasting than we originally anticipated," said chief executive Jim Swire.

But other problems have beset the airline, in which Mr Branson retains a 55 per cent stake. Earlier this year it was forced to cancel flights because of problems with a 25-year-old leased Lockheed Tristar catching fire.

Virgin Express — along with Victory Corporation, the only listed parts of Mr Branson's business empire — wants to move to Dublin to avoid Belgian taxes.



Crisis terminal says Soros

Mark Milner

GEOFFREY SOROS reportedly lent the Moscow government "several hundred million dollars" when it faced a liquidity crisis in June last year.

His funds have also invested in Russia, sometimes against his advice, and last year was reported to have Russian portfolio valued at about \$2.5 billion.

Yesterday, in a letter to the Financial Times, Mr Soros said that the crisis in the Russian financial markets was "terminal". The only way out was a 15 to 25 per cent devaluation of the rouble. If Russia ducked the decision it faced either hyperinflation or default, he said.

An already bombed-out Russian stock market fell heavily, the forward value of the rouble dropping 16 per cent. Explaining the thinking behind Mr Soros's warning, his spokesman was quoted by the Bloomberg news agency as saying "Mr Soros is most concerned with the situation in Russia — he sees it as perilous and he wanted it [the letter] to be a wake-up call."



George Soros... wanted his letter to be a wake-up call

Hungarian-born Mr Soros — who has spent millions of his own dollars in central and eastern Europe — has a track record as a market-mover, backing his hunches on big swings with huge amounts of money. Though his record is not one of unbroken success, there are still plenty of investors prepared to cling to his coat-tails when they get a whiff of his next target.

Mr Soros made \$1 billion in 1992 betting that the pound would fall out of the exchange rate mechanism and would have to be devalued.

But in 1994 Mr Soros's

Quantum Fund lost \$500 million, misreading what would happen to the value of the dollar against the yen.

In 1997 Mr Soros clashed publicly with the prime minister of Malaysia, Mahathir Mohamed. Dr Mahathir criticised currency speculation as "unnecessary, unproductive and totally immoral". Mr Soros responded by describing the Malaysian leader as a "boose cannon".

In May this year Mr Soros is reported to have taken an \$8 billion bet that sterling would fall from its peak of around 3.10 German marks.

World in the firing line

Larry Elliott
Economics Editor

ANALYSTS were last night trying to forecast the next victim of financial chaos as they weighed up the likely impact of the Russian crisis on the global economy.

Countries with strong links to the former Soviet Union — including the Ukraine, the Baltic states and the Warsaw Pact nations of Central and Eastern Europe — are seen as particularly vulnerable.

However, there are fears that the changing nature of both Russia and the global financial markets might lead to the knock-on effects being felt

more widely — in Western Europe, Latin America, the Far East and South Africa.

On the foreign exchanges yesterday, the Polish zloty, the Czech crown and the Hungarian forint all fell sharply, but dealers in Mexico City and Johannesburg were monitoring the unfolding situation as closely as those in Warsaw, Prague and Budapest.

Shares in South Africa fell 2 per cent amid concern that Russia's woes will lead to a sell-off in all other emerging markets. "The market fears the possibility of a major global correction, and buyers are standing back," said Tony Twine, an economist with Ecometrix.

Similar concern was expressed on Latin American

bourses, where prices have been under pressure for the past fortnight as a result of the falls on Wall Street. Dealers in Brazil and Argentina were also braced for turbulence, aware that previous runs on the rouble had had a domino effect around the globe.

Ian Harwood, global analyst for Dresdner Kleinwort Benson said: "Barring a complete collapse in Russia — and therefore a deep recession in Eastern Europe — it is unlikely the Russian crisis alone should have a significant impact on the global economy."

Elsewhere in Europe he saw Germany, Austria, Finland and Belgium standing to be the biggest losers.

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I'll promote you, my dear — but forget the pay rise

Women are moving up at work, but their money isn't, reports Mark Atkinson

FORGET glass ceilings. Invisible barriers on the career ladder for women do not exist. Instead, there are sticky floors. Women get promoted at the same rate as men, but while men's salaries soar after promotion, women's remain stuck at the bottom of the scale for their new grade.

That is the conclusion of three academics who have today published a study that flies in the face of con-

ventional wisdom about the problems of women in the labour market.

The conventional view is that women are less likely to be promoted due to covert discrimination in promotion procedures.

But the paper by Allison Booth, an economics professor at the University of Essex, her colleague Marco Francesconi and Jeff Frank, of Royal Holloway College, University of London, finds no evidence of

glass ceilings. Using data from the British Household Panel Survey, a nationally representative poll which tracks the same people over time, the academics discovered that, contrary to popular belief, women were not promoted less often than men.

In fact, the opposite is true. Over the period 1991-1995, full-time men across all occupations had only a 9.2 per cent chance of receiving promotion each year compared with 11.6 per cent for full-time women.

If the promotion rates of

men and women within the same professions are compared, the difference between the sexes is negligible.

However, the BHPS data also showed that women lag well behind men in the race for higher pay once they have been promoted.

Although they get the same initial increase as men after promotion, their pay fails to rise as fast thereafter.

The BHPS data showed that promoted men received wages 20.4 per cent higher than unpromoted men.

However, promoted

women earned only 9.8 per cent more than unpromoted women.

Booth, Francesconi and Frank explain the discrepancy by saying that promoted women are incarcerated by employers as being less productive than men.

The result is that men are able to exploit more lucrative outside job offers to persuade their employers to raise their pay.

Women, by contrast, are less able or willing to play the labour market in that way because of their family responsibilities and their employers' prejudices.

"As a result promoted women receive lower wage increases over time than men," said Ms Booth. "We use the term 'sticky floors' to describe the situation where women are promoted and receive a one-off wage increase, but then find it hard to rise in the wage scales after promotion."

"While some women get through the glass ceiling, they remain stuck to the promotion wage floor subsequently."

Glass Ceilings or Sticky Floors, by Allison Booth, Marco Francesconi and Jeff Frank, Institute for Labour Research, University of Essex.

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